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BOMBAY BRANCH
OF THE
ROYAL ASIATIC SOCIETY.
TOWN HALL, BOMBAY.

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on 11 March, 2020

PAPERS

RELATIVE TO CERTAIN

PECUNIARY TRANSACTIONS

OF

MESSRS. WILLIAM PALMER AND CO.

WITH THE

GOVERNMENT
103146

OF

HIS HIGHNESS THE NIZAM.

Cx-C-1

PRINTED IN CONFORMITY TO THE

RESOLUTION OF THE COURT OF PROPRIETORS OF EAST-INDIA STOCK,

of the 3d March 1824.

By J. L. Cox, Great Queen-Street.

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AT A

GENERAL COURT

OF THE

UNITED COMPANY OF MERCHANTS OF ENGLAND TRADING TO THE EAST-INDIES,

Held at their House in Leadenhall Street, on Wednesday, the 3d March 1824,

It was moved, and on the Question,

Resolved, That there be laid before this Court, all Correspondence and other Documents to be found on the public Records of this House, which regard the Administration of the Marquis of Hastings, which may enable the Court to judge of the Propriety of entertaining the Question of further Remuneration to the late Governor-General.

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(Signed) WILLIAM McCULLOCH,
Examiner of India Correspondence.

East-India House,
August 2d 1824.

Added to this Volume
A Letter from Henry Ellis Esqr. to the Court of Directors of the East India Company
A Letter from Sir W. Rumbold Bart. to ditto.

HYDERABAD PAPERS.

EXTRACT POLITICAL LETTER *from* FORT ST. GEORGE,
Dated 1st March, 1815.

Par. 124. HAVING received from Fort William, correspondence* between the Governor-General in Council, and the Resident at Hyderabad, on the subject of a proposed commercial establishment, under European Agency, within the dominions of His Highness the Nizam, we have furnished copies of the correspondence for the information of our Board of Trade.

Political Letter from Fort St. George, 1 March 1815.

EXTRACT POLITICAL LETTER *to* FORT ST. GEORGE,
Dated 20th November, 1816.

Letter from, dated 1st March 1815.
(Par. 124.) Proposed commercial establishment, under European agency, within the dominions of the Nizam.

Par. 79. We observe, by an enclosure referred to in this paragraph, that the Governor-General in Council has authorized the Resident at Hyderabad, to afford every proper degree of countenance to the proposed commercial establishment in the Nizam's dominions, to which we are not aware of there being any objection.

Political Letter to Fort St. George, 20 Nov. 1816.

EXTRACT POLITICAL LETTER *from* BENGAL,
Dated 3d January 1817.†

Par. 284. In the year 1814, the Resident at Hyderabad submitted to our consideration a letter from Messrs. William Palmer and Co., expressing a desire to form a commercial establishment at Hyderabad. In reply, we informed the Resident, that we should approve of his affording every proper degree of countenance to the proposed commercial establishment of Messrs. Palmer and Co., consistently with the provisions of the treaty, and of his recommending it to the favourable consideration of the Nizam's Government.

Political Letter from Bengal, 3 Jan. 1817.

285. In the month of July last, we received a memorial from Messrs. Palmer and Co., requesting the consent and approbation of the Governor-General in Council to their doing the several acts, from which they would be restrained by the 37th Geo. III., cap. 142, sec. 28, unless consented to, and approved of, by the Governor-General in Council in writing.

286. Having previously consulted with our Advocate-General, and being satisfied that the interests, both of the dominions of His Highness the Nizam and of the Honourable Company, would be promoted by the success and security of the commercial and pecuniary transactions, as explained by Messrs. Palmer and Co., we complied with their application. A writing was accordingly transmitted to Messrs. Palmer and Co., under the signature of the Governor-General in Council, and the seal of the Honourable Company, signifying the permission of the Supreme Government for their performing the acts above referred to, with no other reservation, than that it should be at the discretion of the Resident at Hyderabad, for the time being, to satisfy himself regarding

* For the correspondence here referred to see next page.
† This letter was not received at the East-India House till the 1st May, 1818.

Political Letter from Bengal, 3 Jan. 1817.

regarding the nature and objects of the transactions in which Messrs. Palmer and Co. might engage, under the permission accorded.

287. The reply, addressed to Messrs. Palmer and Co., and the instructions issued in consequence to the Resident, are recorded as per margin.*

EXTRACT BENGAL POLITICAL CONSULTATIONS,

The 22d April 1814.

To John Adam, Esq., Secretary to Government, Fort William.

Sir:

Bengal Political Consultations, 22 April 1814.

Letter from Resident at Hyderabad.

I beg leave to submit to the favourable consideration of the Government, a copy of a letter, dated the 30th ultimo, which I have received from Messrs. William Palmer and Co., expressing a desire of forming a mercantile establishment at Hyderabad.

The establishment of a commercial firm at Hyderabad, framed upon the principles, and conducted in the spirit of an English house of business, will, I have no doubt, prove a source of general convenience and benefit.

I have, &c.

Hyderabad, 6th April 1814.

(Signed) Henry Russell, Resident.

To Henry Russell, Esq., Resident at Hyderabad.

Sir:

Letter from Messrs. Palmer and Co.

Having opened a correspondence with several mercantile houses in different parts of India, and ascertained by experiment the practicability of carrying on commercial concerns with advantage, we are desirous of availing ourselves of the provisions of the commercial treaty, to establish a mercantile firm at Hyderabad. We hope that our concerns may be advantageous to the interests of the Honourable Company's, as well as of the Nizam's country, and that they may contribute, in some degree, to promote the objects which the Legislature had in view, in making the recent provisions for the extension of the Indian trade.

The concerns in which we propose chiefly to engage are:

In banking and agency transactions.

In supplying timber from the forests, on the banks of the Godavery, for the purposes of ship-building; these forests abounding in timber of a superior size and quality.

We entertain the most sanguine hopes, founded on our own observations and authentic accounts derived from the inhabitants of the Ramghur and Patoancha districts, that we shall be able to open a navigation of four hundred miles, during four months in the year, on that river and the Wurda. The opening of this navigation will also facilitate the commercial intercourse subsisting between Berar and the coast.

We are persuaded that our firm will receive from you every proper degree of countenance and support; but it would contribute to the confidence, as well as the respectability of our concerns, if, under the benefit of your recommendation, the Supreme Government would be pleased to sanction our establishment with its approbation, and to authorize the exertion of the Resident's influence for our security and protection.

We have, &c.

Hyderabad, 30th March 1814.

(Signed) Wm. Palmer and Co.

To

* Political Consultations, 23d July 1816.

To Henry Russell, Esq., Resident at Hyderabad.

Bengal Political Consultations, 22 April 1814.

Letter from Secretary to Government.

Sir:

I am directed to acknowledge the receipt of your despatch of the 6th instant, submitting a copy of a letter to your address from Messrs. William Palmer and Co., on the subject of a commercial establishment which they propose to form at Hyderabad.

2. His Excellency in Council is disposed to promote the success of every mercantile enterprize which is likely to prove of general utility to the interests of commerce, by affording facilities to the transaction of trading concerns between his Highness's dominions and the territories of the Honourable Company; and his Lordship in Council will accordingly approve of your affording every proper degree of countenance to the proposed commercial establishment of Messrs. Palmer and Co., consistently with the provisions of the treaty, and of your recommending it to the favourable consideration of His Highness the Nizam's Government.

I have, &c.

Fort William,
22d April 1814.

(Signed) J. Adam,
Secretary to Government.

EXTRACT BENGAL POLITICAL CONSULTATIONS,

The 13th July 1816.

To John Adam, Esq., Secretary to Government, Fort William.

Bengal Political Consultations, 13 July 1816.

Letter from Resident at Hyderabad.

Sir:

I have the honour to enclose a memorial, addressed to His Excellency the Right Honourable the Governor-General, which has been sent to me by the firm of Messrs. William Palmer and Co., and which I beg leave to recommend to the favourable consideration of his Excellency.

I have, &c.

Hyderabad,
27th June 1816.

(Signed) Henry Russell,
Resident.

EXTRACT BENGAL POLITICAL CONSULTATIONS,

The 23d July 1816.

Ordered, That the following letter from Messrs. William Palmer and Co., of Hyderabad, which was on the 13th instant referred in the original to the Advocate-General, be here recorded, together with Mr. Strettell's letter on the point submitted to his opinion.

Bengal Political Consultations, 23 July 1816.

To the Right Honourable Francis Earl of Moira, K.G., Governor-General, &c. &c. &c., Fort William.

My Lord:

Letter from Messrs. Palmer and Co.

When we addressed your Lordship in Council upon a former occasion, we were persuaded that the establishment of a commercial house here was an object of public utility, and upon that ground we looked with confidence to the support of your Lordship's Government in our undertaking. The consideration that address met with, did not disappoint our expectations of the view you would take of our application, and we had made no secret of our transactions. We were disposed to think, that the sanction we then received was sufficient for our security, and we acted upon this supposition. We have, however, heard a doubt expressed, whether that sanction was explicit enough to give security to all our money transactions; and any uncertainty upon this subject, is not only injurious to our affairs, but diminishes the degree of benefit which the local Government derives from our establishment. Indeed, this benefit must be mutual; and the value of money, in this part of the world, must rise and fall, in proportion to our credit, which depends upon the public.

Impression

Bengal Political Consultations, 23 July 1814.

Letter from Messrs. Palmer and Co.

Impression has hitherto been so favourable to us, that we have, to the great advantage of the Nizam's Government, and of the British interests combined with it, established a system of confidence and regularity in the money markets here, which a short time ago could scarcely have been believed practicable. It is not, however, possible that we should carry on transactions so extensive and so general as ours, without being frequently concerned in pecuniary arrangements with the Government itself; and we entreat that your Lordship in Council will, in pursuance of the power vested in you, exempt us from any penalties which we might be subject to under the Act of Parliament, provided that whatever transactions we may have with the Nizam's Government shall be such as will be approved of by the British Government. We conceive ourselves to stand essentially wide of what was in the purpose of the Legislature, though we now find it doubted whether the letter of the provision might not reach us. We believe that the penalties we allude to were imposed by Act of Parliament, with a view to prevent European subjects from acquiring privately too much influence at Native Courts, and from taking advantage of the necessities of Native Governments, to extort exorbitant interest from them. We feel confident that our transactions cannot lead to either of these objects, and that their immediate operation has no taint of that quality; so that we are precisely in the situation which the Act contemplated, in giving power to the Governor-General in Council to exempt from the penalties. Our transactions have always been open and public, and whenever we have considered them as connected with the Government, they have been directly with the Minister, who possesses the confidence and support of the British Government.

The grounds upon which we indulge the hope that we are entitled to especial support and protection from your Lordship are:

1st. The acknowledged utility of our establishment (recognized by the Minister and the Resident), in facilitating and augmenting a traffic, which has been deemed of sufficient importance to be the object of a commercial treaty between the Company's and the Nizam's Governments. This object has been attended with the decided melioration in the state of the Ryots, upon whom the pressure for payments in advance, formerly made by the Nizam, is no longer necessary; and by the reduction of the rates of interest, owing to the preclusion, in a great measure, of the oppressive dealings of the Patans and Gosauns, and has been acknowledged as a benefit of the utmost importance by the Minister.

2dly. The benefit of our speculations in timber to both Governments, about three thousand logs of teak being annually floated down to the coast by us from the forests on the Godavery; whereas no other persons have been able to turn those vast internal sources of wealth to any purposes of public utility, and the Bengal markets have hitherto been supplied from the shores of aliens, and powers not unfrequently inimical to the British Government.

3dly. The advantages which will result from our having ascertained the Godavery to be navigable by boats for four hundred miles, whence we expect to establish the practicability of conveying Berar cotton (the best in India) by water to the coast. The traffic in Berar cotton was formerly carried on by land to Mirzapore, but given up on account of the exorbitant taxes imposed by the petty Rajahs and Zemindars, and the difficulties and dangers of the road. Having satisfied ourselves as to the Godavery's being navigable from Dhuinapoor to Coringa, by taking boats down at two different periods, we are now employed in ascertaining the practicability of navigating the Wurda, (or, as the natives call it, the Puneeta), from Chanda, in the country of the Rajah of Nagpore, to its junction with the Godavery at Seroucha.

We have every reason to expect success in this undertaking, which has been attended with considerable expense and trouble, and will be productive, in all probability, of great advantage to the commerce of this country.

We have, &c.

Hyderabad,
27th June 1816.

(Signed) Wm. Palmer and Co.

To

To John Adam, Esq., Secretary to Government.

Bengal Political Consultations, 23 July 1816.

Sir:

Letter from the Advocate-General.

In obedience to the commands of the Right Honourable the Governor-General in Council, conveyed to me in your letter of the 13th instant, I have the honour to report, that I see no legal objection to the Governor-General in Council giving his consent and approbation to Messrs. William Palmer and Co. carrying on the business they have entered upon at Hyderabad, and to their doing the several acts from which they would be restrained by the 37th Geo. III., cap. 142, sec. 28, unless consented to and approved of by the Governor-General in Council in writing.

It is proper, however, to observe, that although the 13th Geo. III., cap. 63, sec. 30, confines the penalty for usury, in taking more than 12 per cent, to such as commit the offence within the Company's settlements, I am by no means clear that it does not avoid the security, although it be not given, or the loan made within the Company's settlements: It appears, however, to be confined to our own settlements.

I have, &c.

Calcutta, 19th July 1816.

(Signed) Edward Strettell, Advocate-General.

Ordered, That the following letter be addressed to Messrs. William Palmer and Co., and that they be furnished with an instrument, in conformity with the terms of the draft below recorded, and under the seal of the Honourable the East-India Company and the signatures of the Governor-General in Council, authorizing them to do all acts within the territories of the Nizam, which are prohibited by the Act of the 37th of the King, cap. 142, sec. 28, to be done or transacted without the consent and approbation of the Governor in Council of one of the Company's Governments in India.

To Messrs. William Palmer and Co., Hyderabad.

Letter from Secretary to Government.

Gentlemen:

1. I am directed to acknowledge the receipt of your letter of the 27th of June, requesting the consent and approbation of his Excellency the Governor-General in Council to your doing the several acts from which you would be restrained by the 37th Geo. III., cap. 142, sec. 28, unless consented to and approved of by the Governor-General in Council in writing.

2. The Governor-General in Council being satisfied that the interests, both of the dominions of his Highness the Nizam and of the Honourable Company, will be promoted by the success and security of your commercial and pecuniary transactions, as explained in your letter, has been pleased to comply with your application. I am accordingly directed to transmit to you a writing, under the signature of the Governor-General in Council and the seal of the Honourable Company, signifying the permission of the Supreme Government for your performing the acts above referred to, with no other reservation, than that it shall be at the discretion of the British Resident at Hyderabad, for the time being, to satisfy himself regarding the nature and objects of the transactions in which you may engage, under the permission now accorded.

I have, &c.

Fort William, 23d July 1816.

(Signed) J. Adam, Secretary to Government.

INSTRUMENT, &c. &c.

Instrument.

Whereas the Right Honourable Francis Earl of Moira, Governor-General of and for the Presidency of Fort William in Bengal, in Council, has taken into his consideration the benefits resulting to the Government of his Highness the Nizam, and to the commercial interests of the territories of his said Highness and of the neighbouring provinces of the Honourable the East-India Company, from the transactions and dealings of the firm of Messrs.

Bengal Political Consultations, 23 July 1816.

Instrument.

William Palmer and Co., established at Hyderabad, in the territories of his said Highness, and is of opinion that the maintenance and extension of the dealings and transactions of the said firm of Messrs. William Palmer and Co., are a fit object of the encouragement and countenance of the British Government; these are to certify to all persons whom it may concern, that the said Governor-General in Council does hereby, in writing, and by virtue of the power in him vested by a certain Act of Parliament, made and passed at Westminster on the 20th day of July, in the year of our Lord one thousand seven hundred and ninety-seven, entitled "An Act for the better administration of justice at Calcutta, Madras, and Bombay, and for preventing "British subjects from being concerned in loans to the Native Princes in "India," give his consent and approbation to the members of the said firm of Messrs. William Palmer and Co. at Hyderabad, doing all acts within the territories of the Nizam, which are prohibited by the said Act of Parliament to be done or transacted without the consent and approbation of the Governor in Council of one of the Governments of the United Company of Merchants of England trading to the East-Indies first had and obtained in writing, until the said consent and approbation shall be in like manner in writing withdrawn. Provided, however, that the said firm of Messrs. William Palmer and Co. shall at all times, when required so to do by the British Resident at Hyderabad for the time being, communicate to the said Resident the nature and objects of their transactions with the Government, or the subjects of his said Highness the Nizam.

Given at Fort William, this twenty-third day of July, one thousand eight hundred and sixteen.

To Messrs. William Palmer and Co.,
Hyderabad.

Ordered, That the preceding despatch be sent under an open cover to Mr. Russell, with the following instructions, and copies of the letter addressed to Messrs. William Palmer and Co., and the instrument enclosed in it.

Letter from Secretary to Government.

To Henry Russell, Esq., Resident at Hyderabad.

Sir:

1. I am directed to acknowledge the receipt of your letter of the 27th ultimo; transmitting an application from Messrs. William Palmer and Co.

2. I am now directed to transmit to you, under an open cover, the reply which I have been instructed to return to their application; from which, and from the instrument enclosed in it, you will perceive that his Lordship in Council has been pleased to comply with their request, subject only to the discretion reserved to the Resident at Hyderabad, for the time being, to satisfy himself with regard to the nature and objects of the transactions in which Messrs. William Palmer and Co. may engage under that permission. You will accordingly consider it to be your duty to exercise that degree of control, at such time, and in such manner, as you may judge to be expedient, in the spirit of the resolution now communicated to you.

3. Copies of my letter to Messrs. William Palmer and Co., and of the instrument enclosed in it, are herewith transmitted.

I have, &c.

Fort William,
23d July, 1816.

(Signed) J. ADAM,
Secretary to Government.

POLITICAL LETTER *to* BENGAL,

Dated 24th May 1820.

Political Letter to Bengal, 24 May 1820.

1. Our last letter to you in this department was dated 15th December last.

2. In paragraphs 284 to 287 of your letter from this department, dated the 3d January 1817, you have drawn our attention to an application from Messrs. William Palmer and Co., British merchants at Hyderabad, and to the proceeding, on your part, to which it gave rise.

3. This

3. This communication we deem of sufficient importance to make it the subject of a separate despatch. Political Letter to Bengal, 24 May 1820.

4. In the 79th paragraph of our Political Despatch to Fort St. George, dated 20th November 1816, we stated that we were not aware of any objection to the countenance which you had, in the year 1814, authorized the Resident at Hyderabad to afford to a British commercial establishment at that capital.

5. In thus expressing ourselves, we presumed that the objects of Messrs. Palmer and Co. were completely consistent with both the enactments of the Legislature, and with those views of policy to which we have been accustomed to require conformity on the part of our Indian Governments.

6. It appears, however, from the memorial addressed to you by that firm on the 27th June 1816, which constituted the ground of your proceeding, that besides their business as merchants, they had large pecuniary dealings with the Government of his Highness the Nizam, which, as you state, would subject them to the penalties enacted by the 37th Geo. III., cap. 142, sec. 28, unless, by an exercise of the power vested in you by that Act, you gave your consent and approbation to their engaging in such transactions. And you inform us, that, at the request of these gentlemen, you had granted your permission to their performing the several acts from which, without that permission, they would have been restrained, with no other reservation than that it should be at the discretion of the Resident at Hyderabad, for the time being, to satisfy himself regarding the nature and objects of the transactions in which Messrs. Palmer and Co. might engage.

7. We have to observe, in the first place, that the power which you have thus thought fit to exercise, could not have been granted by the Legislature, in contemplation of such an use as you have made of it.

8. It was obviously intended for the purpose of meeting extraordinary exigencies, not of generally licensing an illegal traffic; and we have great doubts whether such a license as you have given (a general license, without a special case of necessity, and without limit) would be held to be legal, and would be found effectual for the protection of Messrs. Palmer and Co. against any prosecution under the Act.

9. But waving this discussion, we desire to be informed whether the Resident has availed himself of the power reserved to him, by acquainting himself constantly and thoroughly with the nature of the pecuniary transactions of that house with the Nizam's Government; and, in the next place, whether he has reported to you respecting them. In the event of his having done so, you will not fail to transmit the report for our information.

10. After the experience which we have had, both in Oude and in the Carnatic, of the dreadful abuses which resulted from the pecuniary dealings of British subjects with Native Princes, and the jealousy manifested by the Legislature of all such transactions, we can by no means approve of the indulgence which you have extended to Messrs. Palmer and Co.; and we positively direct, that the instrument by which that indulgence was conveyed, may be, immediately upon the receipt of this despatch, revoked and cancelled, and that the countenance of our Governments may be strictly confined to those objects of a commercial nature, which they professed originally to have in view.

11. You will understand this order as peremptory; and the execution of it must not be delayed, for the purpose of a reference to us, or on any ground whatever.

12. We think it necessary to add, that if any discussion shall at any time arise between the Nizam's Government and the house of Messrs. Palmer and Co., respecting any pecuniary transactions which may have taken place between them, you are hereby positively prohibited from interposing, in any way whatever, the name, authority, influence, or good offices of any sort of the British Government, for the furtherance of any demand which these gentlemen may bring forward.

13. Since

Political Letter to Bengal, 24 May 1820.

13. Since the preceding paragraphs were written, it has been suggested to us that Mr. Palmer, whose name is first in the firm of the house to which you have given the permission in question, is a native of India, but that there are other partners who are Europeans. We desire to be informed of the names of all the partners of the house to which your license has been granted; and we direct that if, on any future occasion, you should find it necessary to grant a license to lend money, not only the sum to be lent, but the names of all the persons to whom the license extends, may be distinctly specified in the license, and a copy of every such license, with a statement of your reasons for granting it, be transmitted to us by the earliest opportunity.

14. We desire that the receipt of the present despatch may be immediately and separately acknowledged.

We are, &c.

London, 24th May 1820.

(Signed) G. A. Robinson, T. Reid, &c. &c. &c.

Extract of Act, 37th Geo. III. cap. 142, sec. 28, referred to in the preceding letter.

Extract Act, 37 Geo. III., cap. 142.

" And whereas the practice of British subjects lending money, or being " concerned in the lending of the same, or in transactions for the borrowing " money for, or lending money to the Native Princes in India, has been pro- " ductive of much mischief, and is the source of much usury and extortion; " and whereas the wholesome orders of the Court of Directors of the United " Company of Merchants trading to India have not been sufficient to restrain " and repress the same; and whereas it is highly desirable that such practices " should be prevented in future; be it therefore enacted, that from and after " the first day of December next, no British subject shall, by himself, or by " any other person directly or indirectly, employed by him, lend any money " or other valuable thing to any Native Prince in India, by whatever name or " description such Native Prince shall be called; nor shall any British subject, " either by himself, or by any other person directly or indirectly employed by " him, be concerned in the lending any money to any such Native Prince, " nor shall any British subject be concerned, either by himself or by any " other person, either directly or indirectly, in raising or procuring any money " for any such Native Prince, or as being security for such loan or money; " nor shall any British subject lend any money or other valuable thing to any " other person, for the purpose of being lent to any such Native Prince; nor " shall any British subject, by himself or by any other person, either directly " or indirectly, for his use and benefit, take, receive, hold, enjoy, or be con- " cerned in any bond, note, or other security or assignment, granted or to be " granted by any such Native Prince, after the first day of December next, " for the loan, or for the repayment of money or other valuable thing, without " the consent and approbation of the Court of Directors of the East-India " Company, or the consent and approbation of the Governor in Council of " one of the said Company's Governments in India, first had and obtained in " writing; and every person doing, acting, or transacting, or being concerned " in any actings, doings, and transactions, contrary to this Act, shall be " deemed and taken to be guilty of a misdemeanour at law, and shall and may " be proceeded against and punished as such, by virtue of this Act, before " any Court of competent jurisdiction; and all bonds, notes, assignments, or " securities for money, of what kind or nature soever, taken, held, or enjoyed, " either directly or indirectly, for the use and benefit of any British subject, " contrary to the true intent and meaning of this Act, shall be, and the same " are hereby declared to be null and void, to all intents and purposes."

EXTRACT POLITICAL LETTER *from* BENGAL,

Dated 21st October 1820.

Political Letter from Bengal, 21 Oct. 1820.

Par. 60. Considerable difficulty having been experienced at Aurungabad in procuring adequate funds for the payment of the regular battalions and reformed horse in Berar, it became absolutely necessary to substitute some other plan for

for their payment, in place of the prevailing system, which had been rendered defective, principally by the mismanagement of the country, the improvidence of the government, the increasing difficulties of the talookdars, and, in some measure, by the misconduct of Rajah Govind Bukhsh, the governor of the province. Repeated representations were made by the Resident to the Minister upon this subject, and the importance which Rajah Chundoo Loll saw attached to it by Mr. Russell, as deeply affecting the efficiency of the whole establishment, induced him to enter into an arrangement with the house of Messrs. William Palmer and Co. of Hyderabad, by which they engaged, on the security of orders to be granted on the revenue of certain districts in Berar, to furnish at Aurungabad the sum of two lacs of rupees monthly. This sum, it was calculated, would, with the addition of the jaggeers, from the produce of which part of the reformed horse were already paid, cover the expense of the four battalions of infantry, the artillery, and three of the resalahs of the horse. The pay of the fourth resalah had, from the first, been provided for by a separate engagement with the house. The assignments on the revenues of Berar granted by the Minister to Messrs. William Palmer and Co. nominally amount to thirty lacs of rupees per annum, a sum estimated necessary to meet the principal and interest of the monthly payments furnished by them at Aurungabad, as well as contingent deficiencies in the revenues.

Political Letter from Bengal, 21 Oct. 1820.

61. When this transaction was reported, we entertained an apprehension that there might be some implication, though not expressed, through which the British Government might be expected to enforce fulfilment, on the part of the Nizam, should arrears or obstructions occur: We therefore required information from Mr. Russell on the following points. To what degree his sanction had been given to the arrangement? Whether he considered any guarantee to be implied on the part of the British Government? In what manner the liquidation of the orders to be granted on the revenues of the assigned districts was secured to Messrs. William Palmer and Co., and on what terms their advances had been made? And whether arrangements, equally efficient and economical, could not have been made with Native bankers?

62. Mr. Russell's answer informed us, that the plan had been suggested to Messrs. William Palmer and Co. by Captain George Sydenham, the late agent in Berar, proposed by them to Mr. Russell, and submitted by him to the Minister. The discussions which took place on the subject between the Minister and the house, were stated by Mr. Russell to have been carried on with his full knowledge, and the conclusion of the arrangement to have had his entire concurrence, as he considered the punctual payment of the troops to be indispensable to their efficiency, and was convinced that it could not be securely provided for by any other means, none of the native bankers possessing funds sufficient for the purpose, and it being certain that, if they possessed them, their terms would be much higher than those of Messrs. William Palmer and Co. Mr. Russell, regarding the object as one of great public importance, gave Messrs. William Palmer and Co. that support which he afforded to the transactions of the house generally; but he affirmed, that there was no assurance or understanding, express or implied, which could possibly be construed into a pledge on the part of the British Government, to enforce the fulfilment of the Nizam's engagement; and that the only security which the house possessed, was the good faith of Rajah Chundoo Loll, and the degree of influence which the Resident might consider himself called upon to exert in their behalf, in case of a failure, on the part of the Nizam, to adhere to his agreement. In further elucidation of the subject, Mr. Russell transmitted copies of a letter addressed by him to Messrs. William Palmer and Co., and of their answer, accompanied by a copy of the articles of agreement with the Minister. Messrs. William Palmer and Co. distinctly stated their understanding to be, that the Resident or the British Government were in no degree pledged to support them, further than by the general countenance afforded to their establishment, which was, in fact, indispensable for the very existence of an extensive mercantile concern, in a country where there are no regular courts of judicature.

63. We referred the subject to the Accountant-General, and directed him to state his opinion as to the expediency of the arrangement in a financial

Political Letter from Bengal, 21 Oct. 1820.

view, with regard to the interests of the Nizam, and ultimately, perhaps, to our own.

64. Mr. Sherer's reply to this reference bore more strictly the character of a legal and political, than of a financial examination of the case; but, at the same time, it declared his opinion, that in a financial view of the question he could not discern any necessity for the adoption of the arrangement. In order, however, that we might be enabled to form a judgment on the point, he recommended that Mr. Russell should be directed to endeavour to obtain figured statements from Messrs. William Palmer and Co. of the whole of their pecuniary transactions with the Nizam under the arrangement We approved this suggestion, and desired Mr. Russell to ascertain and report the following particulars:—

The sums paid in advance to the Nizam's Government from time to time:

The interest thereon charged and received by them, specifying dates, and the interest allowed to the Nizam's Government on balances in their hands:

The tunkhas received and realized by them, specifying dates:

The payments made by them in cash at Aurungabad under the agreement:

The discount and premium on different currencies admitted under the agreement;

And the premium on bills admitted by the sixth article of their agreement.

65. Sir William Rumbold, one of the partners of the house, being then at this Presidency, was, at his own request, furnished with a copy of our inquiries; and being authorized by his associates to reply on their behalf, he submitted that, as mercantile men, they could not with propriety deliver copies of their accounts with their constituents, as such a step might be highly injurious to their affairs, and might weaken the confidence reposed in them by the public. He consequently solicited, on the ground of no part of their transactions with Rajah Chundoo Loll being concealed from the Resident, that the house might be relieved from the necessity of making the desired communication. Sir William Rumbold appears to us to have laboured under a misconception of our wishes. We did not require the house of Messrs. William Palmer and Co. to furnish copies of their accounts with their constituents, but merely a copy of their accounts with the Nizam's Government, respecting a particular arrangement of a public nature, sanctioned by the Resident and submitted by him to our notice. Sir William Rumbold was desired to attend us in the Council Chamber; and the verbal explanations which he there submitted having appeared to the majority of the Board to be perfectly satisfactory, we directed Mr. Russell to be informed, that we no longer required being furnished with the figured statements for which we had called, and that we did not propose to take cognizance of the arrangement, further than to prevent any interference on the part of the house, or of any native agent belonging to that establishment, in the collection of the revenues, or in any other branch of the management of the districts assigned under the agreement of the parties: for which purpose Mr. Russell was enjoined, if it should ever become necessary, to interpose his influence and authority. Such interference, on the part of Messrs. William Palmer and Co., was not understood to have been a branch of the agreement, and was not supposed to have been in the contemplation of either party. It is proper to state, that in consequence of the instructions sent to Mr. Russell, he obtained the figured statements required, and transmitted them for our consideration; but, in conformity with the spirit of the resolution which we had taken, we directed them to be returned.

66. After the engagement for providing funds for the payment of the troops in Berar had been concluded by Messrs. William Palmer and Co., Rajah Govind Buksh, apprehending that the removal of that branch of his authority would impair his influence, expressed a wish to have the payment of the regular infantry

infantry restored to him; and the house immediately declared their readiness to relinquish in his favour the whole, or any part of the arrangement which had been made with them. The proposal was communicated to Rajah Chundoo Loll; but he declined compliance with it, on the ground that an efficient system having, at length, with much difficulty, been completed, he was unwilling to forego any part of it, for the substitution of an arrangement, which not only was likely to prove inefficacious, but which, on its failure, would occasion the renewal of similar embarrassments to those from which he had just been extricated.

Political Letter from Bengal, 21 Oct. 1820.

67. We have adverted to the opinion of the Board on this question not having been unanimous, Mr. Stuart having communicated in a minute the grounds on which he conceived the arrangement to be inexpedient. The Governor-General also stated in a minute the considerations by which he was led to form a more favourable conception of it. Both the minutes are recorded on the proceedings in this department of the 1st January last; and we solicit the attention of your Honourable Court to them, as the best mode of conveying to your knowledge the different views and sentiments with which the Governor-General and Mr. Stuart regarded this question.

EXTRACT BENGAL POLITICAL CONSULTATIONS,

The 30th January 1819.

To John Adam, Esq., Chief Secretary to Government.

Sir:

Considerable difficulties having been experienced at Aurungabad, in procuring adequate funds for the payment to the regular battalions and reformed horse in Berar, it became absolutely necessary to substitute some other system to that which had hitherto prevailed, and which had been rendered defective principally by the mismanagement of the country, the improvidence of the Government, and the increasing difficulties of the Talookdars, and, in some measure, certainly by the misconduct of Rajah Govind Buksh. In consequence of the repeated representations which I made to Rajah Chundoo Loll on this subject, and the importance which he saw I attached to it, as the very foundation of the efficiency of the whole establishment, he entered into an arrangement with the house of Messrs. William Palmer and Co. of Hyderabad, by which they have engaged, on the security of orders to be granted on the revenue of certain districts in Berar, to provide the monthly sum of two lacs of rupees at Aurungabad, which, it is calculated, with the addition of the jagheers, from the produce of which a part of the reformed horse is already paid, will cover the whole expense of the four battalions of infantry, the artillery, and three resselahs of the horse; the pay of the fourth resselah, which was originally detached from Hyderabad, having, from the first, been provided under a separate engagement between Messrs. Palmer and Co. and the Minister.

Bengal Political Consultations, 30 Jan. 1819.

Letter from Resident at Hyderabad.

The adoption of this arrangement has necessarily been attended by a considerable diminution of Rajah Govind Buksh's authority. The regular and reformed troops in Berar, like those of the south of the Godavery, have been placed in immediate dependence on the Minister, and the orders for the security of the pay being issued by him, it became necessary to the system of revenue, which prevails under all Native Governments, that the districts on which they are granted should be managed by Talookdars appointed immediately by himself. A good deal of angry discussion took place, in the progress of this arrangement, between Rajah Chundoo Loll and his brother, who, although he distinctly declared his own inability to provide funds for the military establishment in Berar, was reluctant to lose, by the substitution of the only plan which afforded a prospect of efficiency, so large a portion of the influence and authority which he had previously acquired. The Minister, in a manner more creditable perhaps to his personal kindness than to the firmness of his public character, has consulted his brother's wishes to the utmost extent which was consistent with the efficiency of the new system. The regular and

reformed

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Letter from Resident, at Hyderabad.

reformed troops are the only establishments which have been translated from Rajah Govind Buksh's authority, and he still continues to exercise the same control as before, over every other branch of the local Government of Berar. The annual revenue of the districts, which were previously in the hands of Rajah Govind Buksh, was estimated at fifty-one lacs of rupees. Of these a certain number have been set aside to answer the minister's orders, to the nominal amount of twenty-nine lacs of rupees a-year, a sum which, it is calculated, will not produce an actual payment larger than will be required to meet the principal and interest of the monthly sum to be provided by Messrs. Palmer and Co. at Aurungabad; and all the remaining districts, producing an estimated annual revenue of twenty-two lacs, have been left, as they were before, under the management of Rajah Govind Buksh, to cover the charges of the irregular troops and the various other local establishments of the province.

I have, &c.

Hyderabad, 31st December, 1818.

(Signed) HENRY RUSSELL, Resident.

To Henry Russell, Esq., Resident at Hyderabad.

Sir:

Letter from Secretary to Government.

1. I am directed to acknowledge the receipt of your dispatch of the 31st ultimo, respecting pecuniary arrangements between the Government of Hyderabad and the house of Messrs. William Palmer and Co., for the payment of the regular battalions and reformed horse in Berar in the service of his Highness the Nizam.

2. The Governor-General in Council is desirous of knowing in what degree your sanction has been given to these arrangements, and whether you consider that any guarantee is implied on the part of the British Government, and in what manner the liquidation of the orders to be granted on the revenues of the assigned districts is secured to the house of Messrs. William Palmer and Co., and on what terms their advances are made.

3. The Governor-General in Council is further desirous to be informed, whether arrangements, equally efficient and economical, could, or could not, have been made with native bankers at Hyderabad.

4. This last question will indicate to you an apprehension, on the part of Government, that there may be some implication, though not expressed, through which the Honourable Company might be expected to enforce fulfilment of the Nizam's agreement, should arrears or obstructions occur.

5. I am accordingly directed to request that you will be pleased to report on these points.

I have, &c.

Fort William, 30th January, 1819.

(Signed) C. T. METCALFE, Secretary to Government.

EXTRACT BENGAL POLITICAL CONSULTATIONS,

The 3d July, 1819.

To C. T. Metcalfe, Esq., Secretary to Government.

Bengal Political Consultations, 3 July 1819.

Letter from Resident at Hyderabad.

Sir:

I have the honor to acknowledge the receipt of your letter of 30th January, requiring further information on the subject of the arrangement between the Nizam's Government and Messrs. William Palmer and Co., which was referred to in my dispatch to the Chief Secretary of the 31st December.

That arrangement was first suggested by Captain G. Sydenham to Messrs. Palmer and Co., proposed by them to me, and mentioned by me to the Minister. The discussions which took place on the subject of it, between the Minister and Messrs. Palmer and Co., were carried on with my full knowledge, and the conclusion of the arrangement had my entire concurrence, as I considered

dered that the punctual payment of the regular and reformed troops was indispensable to their efficiency, and as I knew that it could not be securely provided for by any other means. None of the native bankers at Hyderabad could have commanded funds adequate to the purpose; and even if they could, their terms would have been much higher than those of the present arrangement.

Bengal Political Consultations, 3 July 1819.

Letter from Resident at Hyderabad.

Both the Minister and Messrs. Palmer and Co. were aware that I considered the object to be one of considerable public importance, aud certainly expected that I should give it the same support, which I have already been directed by the Supreme Government to give to the transactions of the house generally; but there was no assurance or understanding, expressed or implied, which amounted to a guarantee, or which could be possibly construed into a pledge, that the Honourable Company would enforce the fulfilment of the agreement on the part of the Nizam's Government. In order, however, to put this important point beyond the possibility of a misconception, I addressed Messrs. Palmer and Co. on the subject. I have the honour to inclose copies of my letter to them, and of their answer, which I hope will be satisfactory to the Governor-General, and afford information on all the points on which it has been required.

I have, &c.

Hyderabad,
April 28th, 1819.

(Signed) HENRY RUSSELL,
Resident.

To Messrs. William Palmer and Co.

Letter from Resident at Hyderabad.

Gentlemen:

In a dispatch from the Supreme Government, in answer to my report of the arrangement which has been made between you and the Minister for the payment of the regular and reformed troops in Berar, I have been directed to state, in what degree my sanction was given to that arrangement; whether I considered that my guarantee was implied on the part of the British Government; in what manner the liquidation of the orders granted to you on the revenues of certain districts is secured to you, and on what terms your advances are made.

It is my intention to state, in answer to these inquiries, that the arrangement between you and the Minister was framed with my full knowledge and concurrence, and that I consider you to have entered into it under the assurance of receiving from the Resident that support, which is essentially necessary to the security of your transactions of every description; but that no such guarantee was given or implied on the part of the British Government, as could either impose any pecuniary obligation on the Honourable Company, or require that they should enforce the fulfilment of the Nizam's agreement. As it is necessary, however, that the understanding on this important point should be perfectly distinct, I am desirous to give you the opportunity of making any observations that occur to you on the subject.

I have, &c.

Hyderabad,
22d April 1819.

(Signed) HENRY RUSSELL,
Resident.

To H. Russell, Esq., Resident, &c. &c. &c. Hyderabad.

Letter from Messrs. Palmer and Co.

Sir:

We have the honour to acknowledge the receipt of your letter, of the 22d. April, communicating to us that you are directed by the Supreme Government, to state certain particulars regarding the agreement between the Minister and our firm, for the payment of the Nizam's regular and reformed troops in Berar. In answer to these points, we beg to state, that our agreement with the Minister, having been made with your full knowledge and concurrence, and for the promotion of a public object of some importance to the Honourable Company's Government, which we believe could hardly have been otherwise effected, we considered ourselves entitled to receive from you the fullest support which you could give us, by the exertion of your influence

 with

Bengal Political Consultations, 3 July 1819.

Letter from Messrs. Palmer and Co.

with the Minister. We believe it is unnecessary for us to tell you, that we were by no means influenced to enter into our engagements at Aurungabad, with a view to any considerable pecuniary benefits. We could have employed our capital more advantageously; and our principal object was, to recommend ourselves to the favourable notice of the Supreme Government, by making ourselves useful in promoting your public objects.

We have never understood, that a guarantee of any sort was afforded to us by the British Government, or that any pecuniary liability whatever, on the part of the Honourable Company, was involved, either in the encouragement which you gave to the arrangement, or in the support which we expected from you for our security in the conduct of it. But we must observe, that in a country where there are no regular Courts of Judicature, we never could have established an extensive mercantile concern, without the conviction that we should receive from the Resident that support, which is essential to the transactions of any British merchant in this country; and that we considered ourselves justified in looking for that support, in consequence of the Letters which the Supreme Government was pleased to address to you, on the subject of our Establishment.

We beg to add, that we have no security for the liquidation of the orders granted to us on the Revenues of certain districts, beyond the good faith of the Minister, and such an eventual support from your influence, as, from the justness of our demands, and the public utility of our agreement, you may deem it proper to afford us.

With regard to the terms on which our advances are made, they will be most fully and distinctly exhibited by the enclosed copy of the written agreement which was entered into with the Minister.

We have, &c.

(Signed) W. Palmer and Co.

Hyderabad,
25th April 1819.

(Enclosure.)

Substance of a Wajibool submitted by Messrs. W. Palmer and Co., to Rajah Chundoo Loll, consisting of eleven Articles, with the Rajah's Answers annexed to each Article.

Messrs. Palmer and Co.'s Agreement with the Nizam's Minister.

1. It will be necessary for the establishment of a Banking-house at Aurungabad, with means competent to make a monthly loan of two lacs of rupees, for the payment of the troops in Berar, that the capital should not be less than 20,00,000 rupees; for although the tunkhas are considered as becoming due quarterly, payment on them is not realized usually till the expiration of five months.

Answer 1. It is essentially necessary that an establishment be formed at Aurungabad, for the payment of the troops.

2. It will be required that the Minister, in consideration of the loan of 24 lacs of rupees, to be made within the year, should grant tunkhas to the amount of thirty lacs of rupees, the extra six lacs being required to cover deficits in the Revenues, to cover interest, and to give facility to the establishment to make the required monthly payments. It is presumed that this arrangement, even, will leave no balance, from the circumstances enumerated, and from the delays in payment in favour of the Minister.

Answer 2. In conformity to the requisition of the House, tunkhas to the amount of thirty lacs shall be annually assigned to it. But such balances

Note.—The best tunkhas formerly granted to us were on Sereenewas Row and Karee Moongee Venkut Row, and these Talookdars were allowed one month's grace from the time that the tunkha became due; and, at the expiration of that period, Soucars bills, and private bills on their own Fotedars, were given by them, payable at one month's sight. Ruffat-ool Moolk, who is the most regular Talookdar, pays in the same manner the kist due by him at the end of the year having still a more protracted period of payment.

balances as shall remain due to Government, after the payment of the principal sum advanced to the troops, and interest on it, shall be carried out to the accounts of the succeeding year.

3. Such portions of the tunkhas as shall not have been paid at the expiration of the third month of the following Fuslee year, to be reimbursed to the House by a payment in cash at Aurungabad.

Answer 3. Tunkhas to an amount of thirty lacs shall be given. Should a balance still exist in favour of the House, it shall be paid in cash, three months after the expiration of the year. The collections of the Revenues of the Districts in Berar commence in Sawan and end in Chyt.

4. It will be required that the Minister should furnish the best tunkhas, and that the Aumils, should be urged to adhere to regularity in their payments, as it will otherwise prevent the House, by a deficiency of its funds, from making the payment with punctuality.

Answer 4. The best tunkhas will be granted, and the Talookdars shall be particularly directed to close their payments within the year.

5. It will be necessary that every possible accommodation be given to the House, in respect to the currencies which it shall issue for the required monthly advances; for, from the known deficiency of a circulating medium, and the variety of coins in circulation, it is apprehended that the House may occasionally find it impracticable to procure a particular currency; and as specie is made on that account a marketable commodity, bearing a fluctuating value in proportion to the existing demand, it becomes necessary that the House keep its accounts in some fixed currency, to be hereafter determined upon, and that entries upon the score of premium and discount be admitted.

Answer 5. You are directed to pay the troops in the coinage of Aurungabad and Hyderabad, the halle zoolferaree, which is the current coin of the country. If you receive other currencies from the districts, you will enter the difference of exchange to the credit or debit of the sircar.

6. That in the event of payments being to be made to detachments at a distance from Aurungabad by bills, the commanding officer be directed to receive payments from the House in specie, and negotiate his own bills, thereby saving the house from incurring a responsibility on the bills. If it be found convenient to possess the security of the house on this transaction, that a charge of one per cent. on *del credere* be allowed to it, on the consideration of its being required to cover it from an eventual loss.

Answer 6.

Bengal Political Consultations, 3 July 1819.

Messrs. Palmer and Co.'s Agreement with the Nizam's Minister.

Answer 6. The commanding officer may take the money; but if he receive bills from the house, one per cent. shall be allowed to it, besides the exchange which such bills may bear.

7. To give facility and security to the negotiation of its bills, the house will endeavour to enter into correspondence with Soucar's houses at all the considerable mercantile places.

Answer 7. Let the house establish a correspondence to give facility to a negotiation of bills.

8. That the commanding officer be required to receive payments fifteen days in advance, in such sums, not under ten thousand rupees, as the house may find convenient to make; and that a period of one month from the time of the pay becoming due, be granted to it, for completing its payments.

This Article becomes necessary, as the house is compelled to collect specie whenever it can, of which it has no means of disposing.

Answer 8. Agreed to.

9. As the establishment, for the employment of its funds, must necessarily engage in transactions unconnected with the payment of the troops, it is requested that the same protection which is afforded to the house at Hyderabad be given to its transactions at Aurungabad.

We have not been able to engage in other transactions, from circumstances connected with Rajah Govind Buksh's disposition towards us, and from the previous occupation, by certain Soucars, of the traffic of Berar, with whom Rajah Govind Buksh is supposed to have a participation, as we have before explained to Mr. Russell, and we consequently suffer an occasional loss from an unoccupied capital.

Answer 9. The same support which is given to you here, will be afforded to you there.

10. That Rajah Govind Buksh, to whom a direct and frequent reference will be necessary, be requested to afford his protection to the establishment, and to forward the views and traffic of the house.

Answer 10. Rajah Govind Buksh shall be directed to give his support to all your transactions.

11. That the house be permitted to advance money to the troops, subject to a limitation of the amount, by their immediate commanding officer, and that such advances be deducted from the monthly stipulated payment.

This arrangement principally bears a reference to the house, to enable the men to mount themselves. Captain Davies, the officer commanding the reformed horse, has found this arrangement a very considerable accommodation to the men of his corps.

Answer 11. As the advances will be made with the permission of the commanding officer, he will be directed to deduct the amount from their pay, and give it over to you.

(Signed) W. Palmer and Co.

Ordered, That the following letter be addressed to the Accountant-General.

Letter from Secretary to Government.

To J. W. Sherer, Esq., Accountant-General.

Sir:

I am directed to transmit to you the accompanying documents, being copies of correspondence * with the resident at Hyderabad, and to request your opinion as to the expediency, in a financial view, with reference to the interests of the Nizam's Government, and ultimately perhaps of our own, of the arrangement

* Letter from the Resident at Hyderabad, dated 31st December 1818; letter to ditto, dated 31st January 1819; and Letter from ditto, dated 28th April 1819.

arrangement concluded at Hyderabad, between the Nizam's Government and the house of William Palmer and Co. Bengal Political Consultations, 3 July 1807.

I have, &c.

Fort William, 3d July, 1819. (Signed) C. T. METCALFE, Secretary to Government.

EXTRACT BENGAL POLITICAL CONSULTATIONS,

The 4th September 1819.

To C. T. Metcalfe, Esq., Secretary to the Government Political Department. Bengal Political Consultations, 4 Sep. 1819.

Sir:

1. I have the honour to acknowledge the receipt of your letter of the 3d instant, transmitting copies of correspondence* with the resident at Hyderabad, and requiring my opinion as to the expediency, in a financial view, with reference to the interests of the Nizam's Government, and ultimately perhaps of our own, of the arrangements concluded at Hyderabad between the Nizam's Government and the house of William Palmer and Co. Letter from Accountant-General.

2. "That arrangement," the Resident observes, in his letter to your address dated the 28th April last, "was first suggested by Captain G. Sydenham to "Messrs. Palmer and Co., proposed by them to me, and mentioned by me to "the Minister."

3. It appears that, to enable Messrs. Palmer and Co. to establish a banking-house at Aurungabad, for the purpose of making a monthly loan to the Nizam's Government of two lacs of rupees, for the payment of the troops in Berar, the Minister agreed to grant to those gentlemen assignments on the revenues of the country, to the amount of thirty lacs of rupees annually, the extra six lacs being required, in the words of the agreement, "to cover defects in the revenues, to cover interest, and to give facility to the establishment to make "the required monthly payments." Mr. Russell adds, "the conclusion of "the arrangement has my entire concurrence."

4. I would beg, however, with much deference, to submit, in the first place, whether under act 37 Geo. III., cap 142, "for preventing British subjects "from being concerned in loans to the Native Princes in India," Mr. Russell was competent to give his sanction to any such arrangement. Section 28 of that Act declares, "nor shall any British subject, by himself or by any other "person, either directly or indirectly, for his use and benefit, take, receive, "hold, enjoy, or be concerned in, any bond, note, or other security or assignment, granted, or to be granted, by any such Native Prince, after the first "day of December next, for the loan, or for the repayment of money, or other "valuable thing, without the consent and approbation of the Court of Directors of the East-India Company, or the consent and approbation of the "Governor in Council of one of the said Company's Governments in India "first had and obtained in writing." Had the consent or approbation of any of the Governments in India been obtained to the arrangements concluded at Hyderabad, between the Nizam's Government and the House of Palmer and Co., the circumstance would necessarily, I conceive, have been adverted to in the correspondence before me.

5. In regard to the necessity of this arrangement, Mr. Russell observes, "considerable difficulties having been experienced at Aurungabad, in procuring adequate funds for the payment of the regular battalions and reformed "horse in Berar, it became absolutely necessary to substitute some other system "to that which had hitherto prevailed, and which had been rendered defective, principally by the mismanagement of the country, the improvidence of "the Government, and the increasing difficulties of the Talookdars, and in "some measure, certainly, by the misconduct of Rajah Govind Buksh."

6. But

* Letter from the Resident, dated 31st December 1818; letter to ditto, dated 30th January 1819; and letter from ditto, dated 28th April 1819.

Bengal Political Consultations. 4 Sept. 1819.

Letter from Accountant-General.

6. But how the evils here stated were to be obviated by the arrangement in question (the entire substance of which is given in paragraph 3, above,) is surely far from obvious, though Mr. Russell styles it, "the only plan which "afforded a prospect of efficiency."

7. It is true, that by granting assignments on the revenue for a special purpose, the Government deprived itself of the power of dissipating the revenue so assigned; but Messrs. Palmer and Co. incur no obligation, under this arrangement, to pay the troops, if at any time the mismanagement of the country, or the increasing difficulties of the Talookdars, should obstruct their means. Their fourth requisition expressly provides, "that the Minister should "furnish the best tunkhas, and that the Aumils should be urged to adhere to "regularity in their payments, as it will otherwise prevent the house, by a "deficiency of its funds, from making the payments with punctuality."

8. In Palmer and Co.'s letter to Mr. Russell of the 25th of April last, assuring him that they have never understood that a guarantee of any sort was afforded to them by the British Government, or that any pecuniary liability whatever, on the part of the Honourable Company, was involved in this arrangement, they observe: "We were by no means influenced to enter into "our engagements at Aurungabad, with a view to any considerable pecuniary "benefits. We could have employed our capital more advantageously, and "our principal object was to recommend ourselves to the favourable notice of "the Supreme Government, by making ourselves useful in promoting your "public objects." Again: "We have no security for the liquidation of the "orders granted to us on the revenues of certain districts beyond the good "faith of the Minister, and such an eventual support from your influence, as "from the justice of our demands and the public utility of our agreement, "you may deem it proper to afford us."

9. From all this it may, I conceive, be safely inferred, at least, that the assignments annually granted to Palmer and Co. have been hitherto realized by them with sufficient regularity; that if they neither looked for, nor have derived from this arrangement "considerable pecuniary benefits," the twenty per cent. tunkhas required by them in excess of their payments to the troops, "to cover deficits in the revenue, to cover interest, and to give facility to the "establishment to make the required monthly payments," has been found fully adequate to these purposes, and that the house has derived its estimated profit.

10. But, in this case, there has been no want of funds, on the part of the Nizam's Government, for the payment of the troops; and the question occurs, whether those funds could not be rendered available for the purposes of the Government, in a manner less objectionable than through the agency of a private house of business.

11. Messrs. Palmer and Co. observe, "that in a country where there are "no regular courts of judicature, we never could have established an extensive mercantile concern, without conviction that we should receive from the "Resident that support, which is essential to the transactions of any British "merchant in this country." Whatever support may be here alluded to, it is obvious to remark, that the absence of regular courts of judicature is an argument equally strong against investing any one, not under the immediate controul of authority, with powers which, in such a country, may be so easily abused.

12. Unless, therefore, the most urgent necessity can be shewn for an arrangement, which, to the influence of an extensive mercantile concern in such a country, adds that of obtaining assignments on its revenues to the extent of thirty lacs per annum, the arrangement must, I conceive, be regarded as in the highest degree objectionable. In a financial view, I am unable to discern from this correspondence any necessity in the case.

13. In order, however, to enable Government to form a judgment on this point, it may be advisable to instruct the Resident at Hyderabad, to endeavour to obtain figured statements from Messrs. Palmer and Co. of the whole of their pecuniary

pecuniary transactions with the Nizam's Government under this arrangement, exhibiting the following particulars, *viz.*

Bengal Political Consultations, 4 Sept. 1819.

Letter from Accountant-General.

1st. The sums paid by them in advance to the Nizam's Government from time to time.

2d. The interest thereon charged and received by them, specifying dates.

3d. The tunkhas received and realized by them, specifying dates.

4th. The payments made to them in cash at Aurungabad, under the third article of the agreement.

5th. The discount and premium on different currencies admitted under the fifth article of the agreement.

6th. The premium on bills admitted under the sixth article of the agreement.

I have, &c.

Fort William, 21st July 1819. (Signed) J. W. SHERER, Accountant-General.

Ordered, That the following letter be addressed to the Resident at Hyderabad.

To H. Russell, Esq. Resident at Hyderabad.

Letter from Secretary to Government.

Sir:

With reference to the pecuniary arrangement between the Nizam's Government and the house of Palmer and Co., for the payment of the Nizam's regular troops in Berar and Aurungabad, I am directed to request that you will obtain from that house, figured statements of the whole of their pecuniary transactions with the Nizam's Government under this arrangement, exhibiting the following particulars, *viz.*

1st. The sums paid by them in advance to the Nizam's Government from time to time.

2d. The interest thereon charged and received by them, specifying dates; and the interest allowed to the Nizam's Government on balances in their hands.

3d. The tunkhas received and realized by them, specifying dates.

4th. The payments made by them in Cash at Aurungabad, under the third article of the agreement.

5th. The discount and premium, in different currencies, admitted under the fifth article of the agreement.

6th. The premium on bills admitted under the sixth article of the agreement.

I have, &c.

Fort William, 4th September 1819. (Signed) C. T. METCALFE, Secretary to Government.

EXTRACT BENGAL POLITICAL CONSULTATIONS,

The 9th October 1819.

Bengal Political Consultations, 9 Oct. 1819.

The following correspondence with Sir William Rumbold, Bart., one of the partners of the house of Messrs. William Palmer and Co., at Hyderabad, having been submitted in circulation to the Governor-General, and the Members of the Board, since the last meeting of Council, is ordered to be here recorded.

To. C. T. Metcalfe, Esq., Secretary to Government.

Letter from Sir Wm. Rumbold.

Sir:

Having understood that the Governor-General in Council had, within the last few weeks, directed further inquiries to be made from Messrs. William Palmer and Co., through the Resident at Hyderabad, regarding the arrangements of that house with the Minister, for the payment of the reformed and regular troops

Bengal Political Consultations, 9 Oct 1819.

troops in the service of His Highness the Nizam, I take the liberty of requesting, as a partner of that house, that you will favour me with a copy of the inquiries which are directed to be made from us.

I have, &c.

Calcutta, 6th October 1819. (Signed W. RUMBOLD.

The Secretary reports to the Board, that on the 8th instant, he has transmitted to Sir William Rumbold, in an inofficial letter, a copy of the instructions to Mr. Russell, solicited by him.

Letter from Sir Wm. Rumbold.

To C. T. Metcalfe, Esq., Secretary to Government.

Sir:

I have the honour to acknowledge your letter of this date, enclosing a copy of the inquiries which the Governor-General in Council has directed to be made from Messrs. William Palmer and Co., and to which I am authorized to reply. I regret extremely, that our answer to Mr. Russell, when he formerly addressed us upon the subject, has not been deemed sufficiently explanatory.

I request you will submit to the consideration of the Governor-General in Council, that, as mercantile men, we could not with propriety furnish copies of our accounts with our constituents; that such a measure would be highly injurious to our affairs, and destroy the confidence which the public repose in us.

We did not conceal any part of our transactions with the Minister from Mr. Russell, when he formerly called upon us, in consequence of the letter addressed to him by the Secretary to Government, and we are at all times ready to afford him similar information. We feel so confident that there is no part of our engagements with the Minister which is not unexceptionable, that we trust the Governor-General in Council will pardon our earnest request, that he will relieve us from the painful state of anxiety in which we are now placed, which is very injurious to our affairs, and may destroy much of the confidence we have acquired from the public.

I have, &c.

Calcutta, 7th October 1819. (Signed) W. RUMBOLD.

Ordered, That the following letter be addressed to Sir William Rumbold.

Letter from Secretary to Government.

To Sir William Rumbold, Bart.

Sir:

1. I have had the honour of receiving and submitting to the Governor-General in Council your letter of yesterday.

2. I am directed to observe, that you have not been called on to furnish copies of your accounts with your constituents; but merely a copy of your account with the Nizam's Government, respecting a particular arrangement of a public nature, sanctioned by the Resident, and submitted by him to the notice of Government.

3. The Governor-General in Council requests that you will be in readiness to wait on his Lordship in Council to-morrow.

I have, &c.

Council-Chamber, 8th October 1819. (Signed) C. T. METCALFE, Secretary to Government.

Sir William Rumbold having, in obedience to the desire expressed in the foregoing letter, this day attended before the Council, and submitted explanations on the points on which he was requested to give information:

Ordered, That the following Letter be addressed to Mr. Russell, the Resident at Hyderabad.

To

To Henry Russell, Esq. Resident at Hyderabad.

Bengal Political Consultations. 9 Oct. 1819.

Letter from Secretary to Government.

Sir:

1. With reference to my letter of the 4th ultimo, respecting the pecuniary arrangement between the Nizam's Government and the house of Messrs. William Palmer and Co., for the payment of the Nizam's regular troops, I am directed to apprize you, that the accounts therein called for are not now required, and that the Governor-General in Council does not propose to take cognizance of that arrangement, further, than to prevent any interference on the part of that house, or of any native agents belonging to that establishment, in the collection of the revenues, or in any other branch of the management of the districts assigned, under the agreement of the parties; for which purpose you are directed, if it be ever necessary, to interpose your influence and authority.

2. It may be proper to add, that such interference, on the part of that house, is not understood to be a part of the agreement, and is not supposed to have been in contemplation of either party.

I have, &c.

Fort William, 9th October 1819. (Signed) C. T. METCALFE, Secretary to Government.

EXTRACT BENGAL POLITICAL CONSULTATIONS,

The 7th December 1819.

To C. T. Metcalfe, Esq. Secretary to the Government.

Bengal Political Consultations. 7 Dec. 1819.

Letter from the Resident at Hyderabad.

Sir:

1. I have the honour to acknowledge the receipt of your letter of the 4th ultimo, requiring figured statements of certain parts of the pecuniary transactions of Messrs. William Palmer and Co., under the arrangement made by them with the Nizam's Government, for the payment of his Highness's regular and reformed troops in Berar.

2. I called on Messrs. William Palmer and Co. to furnish those statements, and have now the honour to enclose a copy of their answer, which contains detailed accounts of the whole of their pecuniary transactions with the Nizam's Government at Aurungabad.

3. After the completion of the arrangement with Messrs. William Palmer and Co., at Aurungabad, the necessity of which had arisen principally from Rajah Govind Buksh's declaration of his inability to continue to provide funds for the regular payment of the troops, Rajah Govind Buksh apprehending that the removal of that branch of his authority would impair his influence, expressed a wish to have the payment of the regular infantry restored to him, and Messrs. Palmer and Co. immediately declared their readiness to relinquish, in his favour, the whole, or any part of the arrangement which had been made with them. I communicated this proposal to Rajah Chundoo Loll; but he declined a compliance with it, on the ground that an efficient system having at length, with a great deal of difficulty, been completed, he was unwilling to forego any part of it, for the substitution of an arrangement which was not only likely to prove inefficacious, but which, on its failure, would occasion the renewal of similar embarrassments to those from which he had just been extricated. I agreed in opinion with the Minister, and therefore communicated to Messrs. William Palmer and Co., that he declined availing himself of their offer.

I have, &c.

Hyderabad, 15th October, 1819. (Signed) H. RUSSELL, Resident.

To Henry Russell, Esq., Resident, &c. &c. Hyderabad.

Letter from Messrs. Palmer and Co.

Sir

1. We have the honour to acknowledge the receipt of your letter of the 22d September, enclosing a copy of a letter from Mr. Metcalfe to your address, dated the 4th of September.

Bengal Political Consultations, 7 Dec. 1819.

Letter from Messrs. Palmer and Co.

2. We herewith have the honour to forward to you copies (No. 1 to 3) of our accounts-current with the Minister, including a period of fifteen months, from the foundation of the establishment, and terminating with the end of Ramzaun, 1228 Fuslee year, corresponding with the 23d of July last. The accounts-current include every item of our transactions, and will exhibit the advances in detail.

3. The charges of interest are shewn in the account-current, and we also enclose copies of the interest accounts, from No. 1 to 3, for the better information of Government on the subject. During the period of our transactions, we have had no balances in our hands in favour of the Nizam's Government. If such balances had accrued against us, an interest of twelve per cent. per annum would have been allowed, being the usual rate of interest given by us on deposits in money.

4. Although the accounts-current exhibit the amount of tunkhas realized by us, and the dates of realization, we beg, for the information of Government, to enclose a statement (No. 5), exhibiting the full amount of tunkhas granted to us, and the deficits of the collections, and consequent deficits of payments to us.

5. Although our accounts run for a period of fifteen months, the Minister was enabled, from the lateness of the season when our arrangements were first made with him, to grant us tunkhas for twelve months only. The accommodation, therefore, which was given by us to the Government, of a payment in excess for three months, has occasioned a considerable increase of balance; and the Fuslee year 1228 having expired, but on the 4th of Zecad, or 20th of August last, the third article of agreement has, as yet, had no operation. The Minister is, however, preparing assets for the discharge of a considerable portion of the balances against the Government, according to the terms of the agreement.

6. The advances have been made in the same currency in which the payments from the Talookdars have been received by us, in the Halee Zoolferaree rupees, the present coinage of the Nizam's Government, at their mints of Aurungabad and Hyderabad; and the 5th article of the agreement has consequently had no operation.

7. We beg to enclose, also, a separate paper (No. 4), exhibiting the remittances on which the sixth article has operated, and the amount of premium received by us on that account. We have collected the items from the accounts-current, which we transmit.

8. We sincerely hope, that Government will be satisfied with the details with which we have had the honour to furnish you; and we beg to remind you, that subsequently to our having formed the establishment at Aurungabad, for the express purpose of paying the troops commanded by officers from the Company's service, we offered to resign the payment in favour of Rajah Govind Buksh, the Governor of Berar, which was declined by you.

9. We also beg to submit to the consideration of Government, that our establishment was formed at Aurungabad, at a time when the demand for money on the frontier was great, and that we suffered a considerable loss in our remittances to that place, and that all subsequent returns have been made to us at great disadvantage: the demand for money on the frontiers being reduced, and our known wants for a speedy return of cash to this capital, from our confining ourselves to Government transactions alone, occasioning constantly a reduction in the rates of exchange against our remittances. It will, perhaps, be necessary to explain, that the purpose we contemplated of employing our money in other transactions at Aurungabad, has been deprived of effect, from local circumstances connected with the stagnation of trade in Berar, and the indisposition of Rajah Govind Buksh towards us, which have been brought before under your consideration by us, and that we are occasionally, in consequence, called upon to provide funds at Aurungabad, and to recall them us hastily. The extent of these transactions, and the heavy loss incurred by them, can be exhibited by us; and we have no hesitation in saying, that we believe the amount cannot be far under thirty thousand Hyderabad rupees. The half

per

per cent. agency allowed to us on balances, may appear large; but we beg to state, that if these losses which must periodically occur, the charge of agency according to the usual practice of English houses in India, our charges of collections made from distant Talookdars, and the expense of a separate establishment for the purpose of Government alone, are taken into calculation, this arrangement would be found to encroach even upon the rate of interest charged by us; and the Minister seems to have contemplated the heavy amount of the charges, in limiting us to a charge of half per cent. only. We also beg to explain, that the accounts-current closed to the end of Ramzaun, Fuslee 1228, or the 23d of July last, does not include the whole period of the Fuslee year 1228, but as made up to that period for the information of Government, and is an open account.

Bengal Political Consultations, 7 Dec. 1819.

Letter from Messrs. Palmer and Co.

We have, &c.

Hyderabad, 12th October 1819.

(Signed) W. PALMER and Co.

Ordered, That the enclosures in the foregoing dispatch be returned to the Resident at Hyderabad, in conformity to the spirit of the resolution communicated to him in the Secretary's letter of the 9th October last.

EXTRACT BENGAL POLITICAL CONSULTATIONS,

The 1st January 1820.

Mr. Stuart records the following Minute:

Bengal Political Consultations, 1 Jan. 1820.

Mr. Stuart's Minute.

Mr. STUART'S MINUTE.

The Board are aware, that from the time we received the Resident at Hyderabad's report of the arrangements concluded, under his sanction, between the Nizam's Government and the house of Messrs. William Palmer and Co., I have been strongly impressed with the propriety and expediency of procuring fuller information on the subject, before we committed the Government, by any approbation, either express or tacit, of the plan.

In the discussion of the question it has been suggested, that such an inquiry would be an undue interference with an independent Government, which is free to conduct its internal administration according to its own discretion; that having, in the exercise of its independent powers, and for its own convenience and accommodation, entered into pecuniary arrangements with Messrs. William Palmer and Co., the British Government have neither title nor motive to inquire into the transaction.

If I could admit the facts upon which that view of the subject is founded, I should still feel myself obliged to oppose the conclusion.

Admitting the Nizam's Government, was, with respect even to its internal administration, in the full exercise of an independent authority, I should still have thought, that this Government had a right to ask an account of any transaction between a Native allied Government and British subjects; and I should have further thought, that this Government had a clear and powerful motive for inquiry, when it found British subjects in possession of assignments upon the revenue of a native prince, to the annual extent of thirty lacs of rupees.

But I acknowledge I have fallen into great errors, if the Nizam's Government be in the free exercise of its internal administration.

Should I have formed a conception, in any degree accurate, of the state of that wretched and distracted Government and country, it is this:—The imbecility and perverseness of the reigning prince have compelled the British Government, in effect, to set him aside, while the Government is carried on with despotic authority by a Minister, who is the creature of British influence, and wholly and entirely dependent on the British power.

The extract which I have annexed to this Minute, from a despatch addressed by the Resident, in June 1817, to Sir Thomas Hislop, will vouch for me, that I have not overcharged the picture.

The

Bengal Political Consultations, 1 Jan. 1820.

Mr. Stuart's Minute.

The transaction out of which this discussion has arisen, affords, in itself, the fullest evidence of that state of things.

The following account by the Resident, extracted from the same despatch, of a part of the troops for which the arrangement is intended to secure funds, will shew, that there has not been much scruple in interfering with one branch of the Nizam's Government, to wit, the organization and control of its military forces.

" The two battalions at Hyderabad compose the Russell Brigade, which is " commanded by Captain Hare of the Company's army. The enclosed " return exhibits the strength and composition of this corps. The men are " chiefly Hindoos, natives of the Company's territories in Hindoostan. They " are disciplined, armed, clothed, and equipped, in all respects, like our own " troops: they are paid regularly, every month, out of the Resident's " treasury: they do no duty in the city, nor with any other troops in the " Nizam's service, nor have they any sort of communication with any branch " of the Nizam's Government; in fact, they belong to the Nizam's army in " name alone: they consider themselves as Company's troops, and for all " practical purposes, they are as much so as those on our own immediate " establishment. I am persuaded that your Excellency will find this brigade " equal to the native corps of the Company's own army." It is evident, that the whole of the regular and reformed troops are, in a great degree, subject to the same control by the Resident.

When the Resident described the Russell Brigade as belonging to the Nizam's Government in name alone, he must have meant to speak of power, authority, control; all the privileges, in short, of a Government over its own forces. The Resident knew that the charge of those troops falls upon the Nizam's government alone, and must be no inconsiderable burthen upon his exhausted and impoverished dominions.

The slightest attention to the Resident's reports will evince, that the arrangements concluded with the Nizam's Government, for securing the pay of these troops, have been throughout the fruit of British influence; that the plan originated with Captain Sydenham, the British agent at Aurungabad, was first proposed to the Minister by the Resident himself, and was evidently pressed in a manner not to be resisted. " That arrangement," says the Resident, in his letter of the 28th April 1819, " was first suggested by Captain G. Sydenham " to Messrs. Palmer and Co., proposed by them to me, and mentioned by me " to the Minister. The discussions which took place upon the subject of it " between Messrs. Palmer and Co. were carried on with my full knowledge, " and the conclusion of the arrangements had my entire concurrence, as I " considered that the punctual payment of the regular and reformed troops " was indispensable to their efficiency, and as I knew that it could not be " securely provided for by any other means." In his first letter upon the subject, under date the 31st December 1818, reporting the arrangement, the Resident, after observing upon the difficulties which had arisen in providing funds at Aurungabad, proceeded to state: " In consequence of the repeated " representations which I made to Rajah Chundoo Loll on this subject, and " the importance which he saw I attached to it, as the very foundation of the " efficiency of the whole establishment, he entered into an arrangement with " the house of Messrs. William Palmer and Co. of Hyderabad, by which they " have engaged, on the security of orders to be granted on the revenue of " certain districts in Berar, to provide the monthly sum of two lacs of " rupees," &c. &c.

Upon the strength of these extracts, I feel myself entitled to assume, that, with respect to these troops, at least, this Government need not have been restrained, by any apprehensions of an indiscreet or unwarranted interference in the concerns of the Nizam's Government, from instituting any inquiry which might have been deemed expedient. In my judgment, the sole question could be, whether the Government had sufficient grounds for interposing.

But that was a point on which I could not bring myself to doubt. When the Resident had, with all the weight of the British influence, pressed an arrangement

arrangement upon the Native State, it appeared to me that he was bound by solemn obligations of duty, to pay the most zealous attention to its interests, to demonstrate, in a manner beyond all doubt or suspicion, that the measure had originated, and was prosecuted from no other motives than a disinterested regard for the welfare of that Government. In like manner I judged, that when the arrangement was reported to this Government, we were bound, by obligations equally cogent, to satisfy ourselves that the Resident had fully and carefully performed that duty.

Bengal Political Consultations 1 Jan. 1822

Mr. Stuart's Minute.

I must do the Resident the justice to observe, that he appears to have viewed the matter in the same light. He is far from holding up the arrangement as a spontaneous unbiassed act of the Nizam's Government, into which he, as the British Resident, had no right or motive to enquire. He explains the following passage of his letter, dated the 28th April 1819, that he sanctioned the measure, because he regarded it, under all the circumstances, to be advantageous. "As I considered that the punctual payment of the regular and "reformed troops was indispensable to their efficiency, and as I knew that it "could not be securely provided for by any other means. None of the native "bankers at Hyderabad could have commanded funds adequate for the pur-"pose; and even if they could, their terms would have been much higher than "those of the present arrangement." Unfortunately, however, the information which the Resident has furnished is too imperfect, to enable this Government to form a satisfactory judgment on the merits of the arrangement, and is, in fact, more calculated to excite than relieve anxiety.

The circumstance, that at a capital like Hyderabad, native bankers cannot be found possessing adequate funds to make an advance to the Government of two lacs of rupees monthly, secured upon the growing revenue of the country, and the consequent utter dependance of the Resident and the Nizam's Government, for the payment of the troops upon the only British house of agency established in the country, is in itself sufficiently extraordinary and alarming. The terms which, upon common mercantile principles, a mercantile house possessing such an advantage over a Government will demand, must be a natural subject of solicitude and enquiry. But the Resident has entirely failed to mention the terms; and in the communication of the house the same omission is apparent. All the information we have from the Resident on that important point is, that if native bankers could have commanded funds, their terms would have been much higher than those of the British house. We have no means of knowing that those terms are not ruinous, but the assurance only, that they are less than would have been extorted by native bankers.

It certainly did very forcibly strike me, that the duty of this Government could not permit us to sanction a transaction of this nature, while we were left in such complete ignorance of all the particulars essential to a just appreciation of its merits, and while all that did appear was calculated to awaken solicitude and doubt.

With that impression, I suggested that the Government should recur to the assistance of the Accountant-General, whose experience in such matters would enable him to offer the Government valuable suggestions on the bearing and tendency of the proposed plan, and in particular, to indicate any points on which further information might be requisite, in aiding the Government to come to a right conclusion.

The Accountant-General having in consequence been called upon, that officer, in a report recorded on our proceedings of the 4th September last, submitted his reasons for thinking the plan highly objectionable; and stated, that he was unable to discover from the correspondence, any necessity in the case in a financial point of view.

The Accountant however, indicated some points for further inquiry as proper, with the view of enabling the Government to arrive at a more satisfactory decision than was practicable with the information previously submitted. He suggested, that the house should be required to furnish figured statements, shewing the sums paid by them in advance to the Nizam's Government from time to time; the interest thereon charged and received by them, specifying

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dates; the tunkhas, or assignments, received and realized by them, specifying dates; the payments made to them in cash at Aurungabad, under the third article of their agreement; the discount and premium on different currencies admitted under the fifth article of the agreement; the premium on bills admitted under the sixth article of the agreement.

The Government acceded to the Accountant-General's proposition, and the necessary call was made upon the Resident.

But no answer has been received from the Resident; and the Government has now seen fit to cancel its former resolution, and to inform the Resident that the statements required, according to the Accountant-General's suggestion, are no longer wanted; that the Governor-General in Council does not propose to take cognizance of the arrangement, further than to prevent any interference, on the part of the British house or its native agents, in the collection of the revenues, or in any other branch of the management of the districts assigned under the agreement of the parties: for which purpose the Resident has been directed to interpose his influence and authority.

After the strong feeling upon the question which I have repeatedly expressed, and which, I fear, I urged upon the Board with too much importunity, it was to be anticipated that I should require some very important novel information, or some very powerful novel arguments, to effect a change of my opinion, and to bring me to acquiesce in the abandonment of that, which appeared to me the wise and prudent resolution of the Government, to withhold its sanction from the arrangement until it had been thoroughly sifted.

There is before the Government, no new information or reasoning upon the subject, other than is comprehended in a letter from Sir William Rumbold, one of the partners of the house, dated 7th October. But Sir William also attended the Council in person, and entered into explanations on the subject of the arrangements.

No minute having been made of Sir William Rumbold's personal communications, they do not appear on the records of Government: all I can say of them, therefore, is, that they did not, in my judgment, tend to shake, in the slightest degree, the public grounds on which the Government had decided to call for more accurate information.

In Sir William Rumbold's letter, that requisition is taken up in an entire new light. It is represented as being injurious to the reputation and interests of the house. The objection is thus stated, "As mercantile men, we could "not with propriety furnish copies of our accounts with our constituents; such "a measure would be highly injurious to our affairs, and destroy the confi- "dence which the public repose in us."

I am sure that the Board will recollect the surprize which that intimation excited when we first received it. We were quite at a loss to conceive in what manner the production of figured statements, comprizing particulars of a pecuniary arrangement concluded with the Nizam's Minister, under the sanction of the Resident, for the public service of the Nizam's Government, could be thought to involve a disclosure of the affairs of the constituents of the house, and a breach of private confidence. We had not imagined that, in speaking of their constituents, Sir William Rumbold could possibly have alluded to the Nizam's Government.

In the reply of the Government, of date the 19th of October last, Sir William Rumbold was accordingly reminded, that the house had not been called on to furnish the accounts of their Constituents, but merely their account with the Nizam's Government.

Sir William Rumbold, however, when he attended the Board, explained that he had meant to include the Nizam's Government among those constituents, whose accounts the house could not lay open to the Government without an injurious breach of confidence.

"I should be sorry to treat too lightly a representation from respectable individuals, professing to maintain their rights and interests; but I acknow-

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ledge, that antecedently I could not have brought myself to believe that such an objection would have been seriously urged.

The slightest attention to the circumstances in which the house stands, relatively to this Government and to the Nizam's Government, will, it appears to me, suffice to appreciate the validity of their plea.

The house of Messrs. William Palmer and Co. was established within the dominions of the Nizam, under the special sanction of the British Government. They admit throughout the correspondence, that they could not conduct their mercantile concerns in that country a day, or an hour, without the protection of the British representative; and they state, that but for their reliance on that support, they could not have ventured to engage in the arrangements which form the present subject of our deliberations.

But further, the abuses experienced in pecuniary transactions between Native States and British subjects have created so great a jealousy of all such concerns, that by an act of the Legislature, the engaging in them, without the special license of the Indian Governments, has been constituted a criminal offence.

It is, therefore, by a special dispensation from the penalties of that statute, granted by this Government, that the house of Messrs. William Palmer and Co. have been enabled to enter into any pecuniary transactions with the Nizam's Government; and the instrument by which the dispensation was granted, comprehends a clear and distinct condition, that the house should, at all times when required so to do by the Resident at Hyderabad, for the time being, communicate to the Resident the nature and objects of their transactions with the Government on the subject of the Nizam.

Sir William Rumbold has, in his letter, dwelt with some emphasis upon the willingness of the house to disclose to the Resident any part of their transactions with the Minister. The faith due to constituents, then, was no impediment to any disclosures to the Resident: It is to be opposed only to the demand of this Government for information! But are the house prepared seriously to urge, that, because the British Representative at the Court of Hyderabad was indicated to the house, as the person who was to exercise immediate control over their conduct, and to whom they were bound to communicate all their transactions with the Native State, this Government therefore meant to abdicate their right, and their duty of satisfying themselves that the controul was duly exercised, or of requiring from the Resident, or the house, any information which might be deemed necessary to that end?

When the house of Messrs. William Palmer and Co. were applying to this Government for the dispensation, they appeared fully sensible of the obligations which it implied. They were conscious that it was their duty to be prepared for the most thorough exposure of their concerns with the Nizam's Government, not merely to the Resident, but, whenever required, to this Government, whose representative the Resident is, and from which all his powers and authority, in this as in every other respect, are derived.

The following passage is copied from the memorial of the house, recorded on the proceedings of the Government of the 23d July 1816. "We entreat "that your Lordship in Council will, in pursuance of the power vested in "you, exempt us from any penalties which we might be subject to under the "Act of Parliament, provided that whatever transactions we may have with "the Nizam's Government shall be such as will be approved of by the British "Government. We conceive ourselves to stand essentially wide of what was "in the purpose of the Legislature, though we now find it doubted, whether "the letter of the provision might not reach us. We believe that the penal-"ties we allude to were imposed by Act of Parliament, with a view to prevent "European subjects from acquiring privately too much influence at Native "Courts, and from taking advantage of the necessities of Native Govern-"ments, to extort exorbitant interest from them. We feel confident that our "transactions cannot lead to either of these objects, and that their immediate "operation has no taint of that quality; so that we are precisely in the

"situation.

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"situation which the Act contemplated, in giving power to the Governor-"General in Council to exempt from the penalties. Our transactions have "always been open and public; and whenever we have considered them as "connected with the Government, they have been directly with the Minister, "who possesses the confidence and support of the British Government." The contrast of the language held by the house on the present occasion is remarkable. Having procured assignments on the Nizam's revenues, to the annual extent of thirty lacs of rupees, and having been called upon by this Government to furnish statements, requisite to enable us to form a judgment upon the propriety of the arrangements connected with that assignment, the house have thought fit to reply, that their reputation and interests would suffer if they were to disclose the concerns of their constituents.

So far, therefore, as the opposition on the part of the house might influence the question, I am constrained, after the most careful reflection upon the facts and circumstances which I have detailed, to regard their objection as destitute of all reasonable foundation.

After all, and supposing, for the sake of argument, that the plea of the house could be admitted, I apprehend that there could not be the slightest difficulty in procuring the desired information through the Nizam's Government. Attending to the general influence which the Resident possesses over the Minister, and to the origin and attendant circumstances of the particular transaction, it would be unreasonable to imagine that Rajah Chundoo Loll could have any objection to furnishing any information respecting it, which the Resident, or this Government, might desire.

It is always to be remembered, that the former resolution of the Government, of which I am the feeble advocate, was not confined to inquiry, and pledged the Government to no ulterior cause, and was quite consistent with the measure of permitting the arrangement to proceed, if ultimately deemed to be expedient. Yet the Board are aware, that I have never viewed the particular arrangement as an insulated transaction; but, in discussing the question, have submitted to their judgment considerations connected with the state of the Nizam's dominions, and the situation of the house of Hyderabad, which appeared to me of general importance. Throughout the correspondence, the house will be seen, as I have already stated, to weigh on their dependence upon the protection of the British Resident. In their letter of the 25th April 1819, sent with the Resident's letter of the 29th of April following, they observe: "In a country where there are no regular courts of judicature, we never could "have established an extensive mercantile concern, without the conviction "that we should receive from the Resident that support, which is essential to "the transactions of any British resident in this country; and that we con-"sidered ourselves justified in looking for that support, in consequence of the "letters which the Supreme Government was pleased to address to you on the "subject of our establishment." What may be the nature of the assistance which the Resident has afforded, is not particularly explained. But the misfortune is, that in the disorder and distractions of that unhappy country, it is too certain that there can be no equal justice. More or less than justice is the alternative. A single British house, which, through the irresistible influence of the British Resident, can always command justice, may be said to possess a monopoly of that precious article; and that monopoly must draw, in its train, a monopoly of the moneyed concerns and traffic of the country. The facts already before the Government lead to the conclusion, that the house already enjoy a monopoly of the money-market at the capital. It is clear that none of the native bankers dare trust the Nizam's Government; and if they have funds to lend, they are probably obliged to advance them through the agency of the house. We may observe, also, that the house is extending the system over the country. With the large assignments on the land revenue which they have obtained, they have connected the establishment of a bank at Aurungabad, and they contemplated a correspondence with Soucars at all the principal mercantile places. From the note on the ninth article of the Minute of Agreements annexed to the house's letter to the Resident of the 25th April, cited above, it will be remarked, that the house had

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already come into collision with certain Soucars who had pre-occupied the traffic of Berar, and with whom Rajah Govind Buksh, the Nizam's chief officer in that province, was supposed to be in participation, and that the house expected the support of the Nizam's Government in this contest. Their concerns will thus pervade the whole country, with the same predominating influence which they possess at the capital. This is a state of things which I cannot regard without uneasiness. If present circumstances are adverse to attempting a reform of the dreadful abuses which exist in the administration of the Nizam's Government, it is at least to be earnestly deprecated, that his Highness's suffering subjects should see British subjects extensively engaged in the system, and largely profiting by its weakness and corruption.

I had, indeed, indulged in more propitious anticipations. I had cherished the hope, that by a more equable and benign exertion of our influence, we might extend the blessings of order and justice to the whole country; that we might thus redeem the British Government from the odium of tolerating, in dominions where our power and influence are confessedly uncontrollable, evils of mal-administration, which I believe to be as great as any that prevailed in the worst of the native Governments, which it is the boast of our policy to have corrected.

I am very sensible of the difficulty of such reforms, when they are to be accomplished by the mere exertion of influence, and I am not over credulous to the sudden ameliorations often ascribed to that species of interposition; but I fear that, in the Nizam's dominions, the evil is too urgent to admit of choice. The Resident, at a former period, has declared, that the utter ruin of the country can be averted only by the direct assumption of it; and if we are not prepared to resort to that extremity, the attempt to correct the most prominent abuses by the exertion of our influence, seems to be the only practicable alternative.

Fort William,
10th November, 1819.

(Signed) JAMES STUART.

Paper referred to in Mr. Stuart's Minute.

EXTRACT *from a Report on the Military Resources and Political State of the Nizam's Dominions, addressed, under date the 14th June* 1817, *by the Resident at Hyderabad to Sir Thomas Hislop, Bart., Commander-in-Chief in the Deckan, &c. &c.* (Recorded on the Proceedings of the Supreme Government of the 5th July 1817,)

Par. 19. With regard to the political condition of the Nizam's Government, the Nizam himself may be considered, for all purposes of practical utility, as a mere cipher. The original defects of his character, the habits of his life, his dislike of his own ministers, and his jealousy of our controul, have gradually withdrawn him into a sullen and total seclusion. He never quits his palace or holds a public durbar; he is seldom seen even by his own ministers, and he never takes any part in the business of his Government. This habit was inconvenient at first, and matters which required dispatch were often at a stand; but, like many other evils, it has at length produced its own remedy. Most of the functions which were formerly exercised by the Nizam himself, are now exercised by his Minister, and the same result is attained by easier and more expeditious means. It is difficult to say what the Nizam's real views of policy may be. In all probability, he never has had any distinct or uniform system in his mind: he has rather indulged a petulent ill humour than meditated any precise design. He certainly would be terrified at the notion of being abandoned by us; but the unavoidable controul and interference which his personal conduct, as well as the relative condition of the two Governments, have compelled us to exercise, are so offensive to his pride, and act so immediately upon the worst features of his character, that if his natural timidity and indecision would allow him, he would readily engage in any combination which might be formed against our power. It is on his weakness alone that we can rely for his observance of either the spirit or letter of his engagements. He will cease to be faithful whenever he ceases to be afraid.

20. The present ministry at Hyderabad is framed on a divided, and therefore an inconvenient structure; one person holding the nominal office, and

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another exercising the real authority of minister. This system was the result of a compromise between the Nizam and our Government, both of whom wanted to appoint a minister of their own selection. Mooneer-ool Moolk, the uncle of the Nizam's wife, and the son-in-law of Meer Allum, is nominally the Dewan, or chief minister; but it was made a condition, at the time of his appointment, that none of the affairs of the Government should be administered by him. Rajah Chundoo Loll, though nominally only Peishcar, or deputy minister, is invested with all the functions of the office, and administers them without any interference on the part of Mooneer-ool Moolk, and generally without any reference to the sanction of the Nizam.

21. Mooneer-ool Moolk is a weak man, with not much knowledge of business, of no personal weight or influence, and inveterate habits of duplicity and intrigue; but he has always, from the circumstances in which he has been placed, been connected with our Government, and he is, I believe, as much attached to our interests, as it is in the nature of his character to be attached to any cause whatever. Such assistance as he could afford, we might always, perhaps, command, except in a case where the immediate danger of supporting us should be greater than that of supporting our enemies.

22. Rajah Chundoo Loll is a man of great industry and aptitude in business. He is indefatigable in his application, and directs, in his own person, the details of every branch of the Government. In his manners he is gentle and unassuming, and his disposition is particularly mild and amiable; but his personal virtues constitute the great defect of his public character. He wants firmness to command respect, and energy to controul the violence and rapacity of those who act under his authority: every body likes him, but nobody fears him. He is indebted exclusively to our Government for both his elevation and his support, and he is bound to us by the surest of all ties, that of knowing that the very tenure of his office depends upon our ascendancy. If we were to lose our controul over the Government he would certainly lose his authority, and probably his life. On all occasions, of what magnitude soever, where we may require his co-operation, we may confidently depend upon him to the utmost of his power. He will direct and authorize the measure, but it must be enforced by ourselves.

23. Upon the whole, the political condition of the Nizam's Government is just now as favourable to the prosecution of our views as it ever can be, with such a prince and such an administration as the present. We have as many friends, and as few enemies, as we can ever expect to have, and hardly any change of our circumstances could give us a more decided control over all the resources of the Government. There are no factions at the capital, and no parties; except the two there always must be, of those who hold office, and those who want it. The great families of the state are almost all extinct, and even the few that remain have dwindled into absolute insignificance. The only efficient authority that exists is that derived from office; and all offices are now conferred, if not directly by us, at least by the Minister, who is under our total and immediate controul.

24. But this state of affairs has been produced exclusively by the indisputable predominance of our military power, and can be preserved only by the maintenance of a commanding force within the Nizam's territories, &c. &c. &c.

(Signed) JAS. STUART.

The Governor-General records the following minute.

GOVERNOR-GENERAL'S MINUTE.

Governor General's Minute, 10 Nov. 1819.

Uncertain whether I accurately conceive the object of Mr. Stuart, in recording his minute of this date, it is with some doubt that I comment on it. Imagining, however, that it addresses itself to a short remark which I lately made, in writing, relative to the transactions between the Hyderabad Minister and the house of Palmer and Co., I feel that it would not be right to let Mr. Stuart's minute pass without attention, though what I can say will be little more than amplification of what I have already stated.

On

On the inherent right of this Government to take cognizance of any conduct in its subjects which may affect the interests of the Honourable Company, no man can entertain a doubt: it is only on the mode of exercising that right, as referable to equity or expedience, that there can be a question. Before I examine how that consideration bears on the present subject, I must be allowed a preliminary observation.

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Mr. Stuart indulges in lamentation on the disastrous condition of the Nizam's Government. I not only join in that lamentation (though possibly with a more measured contemplation of the circumstances), but I have preceded him with expression of regret. I further concur with Mr. Stuart, that much of the disorder might perhaps be justly ascribed to the nature of our interference. This I have before professed, declaring my solicitude to correct that evil. The sincerity of such an inclination, on my part, will be credited, if advertence be given to my having actually restricted the Resident at Lucknow from meddling, in any ordinary instance, with the internal government of Oude; a policy, the results of which have been sufficiently encouraging, to recommend its adoption in any parallel case. But I have stated distinctly, that there are peculiarities respecting the Government of Hyderabad, which entirely, for the present, preclude the applicability of this system. Mr. Stuart does not attempt to shew that this opinion is erroneous, yet he launches out into an expatiation which seems altogether inapposite, if it does not mean to impeach this Government for suffering the continuance of an abuse corrigible at its pleasure.

The abuse is not corrigible at our pleasure. The obstacle exists in the personal character of the reigning Prince. A constitutional irregularity of mind, approaching to derangement, and an evinced propensity to yield himself to the wild councils of the ignorant, profligate parasites about him, make it quite certain, that were the existing control over him suddenly withdrawn, his country would soon fall into convulsion. This is so clearly seen by others as well as by me, that I am much misinformed if the Government of Fort St. George have not disclosed the sentiment, how far more advisable it would be for the Resident not to assist the Nizam's Government, but let it come to an otherwise inevitable dissolution, whence considerable benefit might be attained by that Presidency. Differing widely as to the advantages of such an event, I must uphold the state of Hyderabad, by such means as are practicably capable of being directed to the purpose, though they be not of the exact fashion I should desire, and, in this, I believe myself to consult essential justice, not less than the interests of our Honourable Employers.

The establishment of the reformed troops in the Nizam's service is noticed by Mr. Stuart, in a manner which appears to imply a disapprobation of the plan. It is perfectly true, that those troops are, in fact, more ours than those of the sovereign by whom they are maintained. Although paid by the Nizam, and nominally appertaining to his Highness, their habit of receiving their stipend through us, and of being commanded by British officers, leave room for the expectation, that in any rupture between the states, they would side with us against their ostensible master. Now, would it be consonant to wisdom, or to the trust reposed in us by the Honourable Company, that we should sacrifice such a security to a casuistical point of equity? I call the point casuistical, because it is wholly gratuitous to represent the arrangement as being imposed on the Nizam against his secret wishes, there never having been the slightest indication of a sentiment adverse to the measure on his part: therefore, the acting upon it would be palpably to act upon an abstract conception. The establishment has gradually grown to its present size, and linked itself with us, not from any antecedent project, but from the course of events. A force, of a quality more operative than the irregular troops of the Nizam, was wanted to reduce to obedience the refractory Zemindars. A disciplined body, under British officers was tried; its superiority for all purposes was experienced, when the Pindarries ravaged the Nizam's dominions in contempt of his ordinary troops. Necessity urged the extending the amount of an efficient soldiery to its present scale. The direct object and immediate advantages were for the Nizam: that a collateral benefit arises from it to us, does not vitiate the quality of the plan. The interests of the two states are identified by alliance, and it cannot be a legitimate reason for the condemnation of a plan

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a plan, that while the welfare of the Nizam is promoted, a convenience accrues to us.

Should it be admitted as impolitic to let an over refinement cause our open abrogation of such an unexpensive addition to our strength, it would hardly be deemed less so, were we willingly to assent to its extinction for want of support. To this Mr. Stuart (I speak from the tenor of his reasoning) would agree, and would state his objection to be, that the support required was to be on terms injurious to the Nizam, when less onerous conditions might have been elsewhere obtained than from the house of Palmer and Co. In the first place, I beg leave to say, the argument, that the terms with the house of Palmer and Co. are in themselves pregnant with embarrassment to the Nizam's Government, is an assumption, for which no colour has been adduced. In the second place, the Resident has, in the most distinct language, informed us, that the Nizam's Ministers could not obtain such easy terms in any other quarter with the smallest security that the engagement would not fail, and the troops be left without their pay. In the first position Mr. Stuart would reply, that the assumption was not his, but that of the Accountant-General. When it was originally proposed to make a reference to the Accountant-General, I did not exactly perceive the fitness of the step; but as I could not foresee inconvenience, I would not dissent. I now feel my error; I find that we have unfairly betrayed the Accountant-General beyond his depth. On every thing relating to his branch of business, the known good sense, as well as the official accuracy of that gentleman, must give his conclusion important weight; but that the Council should implicitly refer to the Accountant-General as a political oracle, would be rather an extravagant abandonment of our judgments and our duties. He states, that he must suppose Shroffs could be found at Hyderabad capable of supplying the Nizam with the funds required. In a case where the mutiny of the troops is the expected consequence of delay in decision, or of subsequent unpunctuality in payment, I cannot suffer the loose supposition of any man to stand in the balance against the unequivocal assertion of a public functionary bound by his honour, and by the obligations of his station, to represent conscientiously that which he cannot but know positively.

A consideration occurs here which perplexes me. The Accountant-General reasons on the terms of Palmer and Co., therefore he was acquainted with them: Mr. Stuart argues about them as if they were concealed. His not being intimately apprized of them rests with himself. When Sir William Rumbold was called before the Council, he explained, that the supplication of the house for Government's dispensing with the delivery of a copy of the accounts had this sole motive:—the accounts once put on the proceedings of Council must be transmitted home, so that the transactions of the house would be subjected, in London, to the inspection of persons liable to form all kind of false deductions, from total ignorance of the habits of the country, and of every concomitant particular. At the same time, he offered to explain every part of the transactions verbally, on oath, to the Council. He further proposed to wait upon Mr. Stuart at his own house, and there submit the accounts to his examination. The validity of the objection to producing the accounts in Council struck me immediately; and, I believe, was similarly felt by two other members. That we did not question Sir William Rumbold minutely on particulars, arose, I apprehend (I know it was so with me), from our being already in full possession of them. After this proffer of Sir William Rumbold's to furnish information in any manner that would not put the accounts on the records of council, it is somewhat hard to treat the house as if it studiously kept back from our view the quality of the transaction in which it was engaged.

The license granted to the house of Palmer and Co., to deal with the Nizam's Ministers, was founded on the experienced inability, or fear of the Shroffs, to render the necessary aid to the administration: those very Shroffs who are now, in the teeth of that fact, supposed by the Accountant-General to be competent for the supply of all the Government's wants. No imputation was till now ever attached on any transaction of the house: on the other hand, I believe it to be well understood, that but for the occasional assistance derived from that house, the Nizam's Government could not have been kept above water. Surely it

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it would be unequitable to hold forth such an establishment as likely to add to the anguish of a suffering people, when its operation hitherto has been to ward off general confusion in the state, with all the violence to which the industrious part of the community is invariably subjected, when military commotion takes place in India. Surmises of the nature lately agitated ought not to remain afloat. Obscure rumours against a mercantile establishment must be deeply injurious to its credit, especially when those implied doubts of its conduct appear to come from this Government. I thence feel bound to declare my opinion definitively, that there is no colour, from any thing which has come within my view, for the slightest imputation on the house of Palmer and Co. The terms of the arrangement are undoubtedly heavy for the Nizam; but if he will not himself supply from his private treasure (confessedly very large) the funds for paying his troops, and if the Minister cannot elsewhere obtain money, unless on still more burthensome conditions, there is only the alternative of acquiescing in those terms, or of suffering the troops to disband themselves and plunder the country. That the Shroffs might have been induced to advance money at an easier rate (though the rate in question is the ordinary scale of accommodation to Native Princes throughout India) upon the security of similar assignments on particular districts, is a presumption, contradictory not only to the direct assertion of the Resident but to probability. What trust can a Shroff place in an assignment, when the Native Government, after having received the loan, can at pleasure annul the security. It is what has repeatedly happened. Asaph-oo Dowlah's extinction of assignments, to vast amount, is in the memory of every one. Mr. Stuart seems to think that the hazard might have been precluded, by the Resident's pledging the intervention of this Government to maintain the security inviolate. This entanglement of ourselves in the Nizam's pecuniary concerns, is what we have been most studiously, and, in my judgment, most prudently avoiding. It is inferred, however, that this pledge does internally exist, respecting the engagement with Palmer and Co. The conception is erroneous. The Resident and the house reciprocally deny the existence of any such understanding. Messrs. Palmer and Co. frankly acknowledge, that they could not have entered into the agreement with the Minister, were they not confident that their being British subjects would prevent a laxity towards them, which would be exercised with little hesitation towards a native creditor. This reliance on an indefinite degree of protection, differs essentially from an obligation binding us to interference, although it might be in circumstances such as would render it most objectionable. There is much misapprehension, I conceive, in regarding Chundoo Loll as the obsequious creature of the Resident: a misapprehension whence an accurate conclusion is liable to be drawn, that the improvidence supposed to exist in the management of the Nizam's affairs may strictly be laid to the Resident's charge. From all that I have heard of Chundoo Loll, I entertain no notion of there being any tincture of servile dependence in his co-operation. Though deemed not a bold man, he is uniformly represented as of considerable ability, of great readiness in the dispatch of affairs, and of stedfast integrity. He has embarked his fortune with ours; but it has been, as appears to me, from his conviction, that the British Government is honest in its view of supporting the Nizam's sovereignty. In that persuasion, he usually adopts with cheerfulness the outline of policy suggested by those, whose more extensive knowledge is likely to furnish a sounder opinion than his own: at the same time, he seems to reserve all details to himself, from the confidence that his habitual intimacy with them must make him more competent than the Resident to judge upon such particulars. With such disposition, and the strong sense of duty professed by him towards the Nizam, Chundoo Loll cannot well be contemplated as pliable, in countenancing agreements injurious to his master's interests, even were Mr. Russell capable of endeavouring so to influence him. The character of that Minister, therefore, concurs with every fact which inquiry has brought forth, to satisfy me, that in the transaction under review he acted on his own judgment, and as expediently as the unfavourable situation of the Nizam's affairs would allow. It follows, from this rejection of the suspicion of the engagements having been imposed upon him, that he is entitled to belief, when he asserts the advantage of the terms concluded with Messrs. Palmer and Co., beyond what he could obtain in any other quarter. If that belief be

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conceded, a charge of extortion cannot rest upon a house which has furnished aid on conditions the lightest offered, in a case where acknowledged risk increased the usual high demand for interest in a Native State. I am sensible that I have been diffuse in my treatment of this subject. An uneasy consciousness has been the cause of the prolixity. I unadvisedly slid into a procedure, which I am now aware was oppressive towards any commercial firm, possibly grievously hurtful to the one in question; and the only reparation I can make, is the shewing fully my reasons for exonerating the house from all suspicion, and for revoking my concurrence to putting its accounts on record.

Fort William,
10th November 1819.

(Signed) HASTINGS.

EXTRACT BENGAL POLITICAL CONSULTATIONS.

The 12th January, 1820.

Bengal Political Consultations, 12 Jan. 1820.

Letter from Resident at Hyderabad.

To C. T. Metcalfe, Esq. Secretary to the Government, Fort-William.

Sir;

I have the honour to acknowledge the receipt of your letter of the 9th ultimo, conveying the instructions of his Excellency the most noble the Governor General on the subject of the pecuniary arrangement between the Nizam's Government and the house of Messrs. William Palmer and Co. for the payment of his Highness's regular and reformed troops in Berar.

No agents have ever been employed on the part of that establishment, either in the collection of the Revenues or in the discharge of any other duties connected with the management of the districts on which tunkhas have been granted by the Minister; nor should I, under any circumstances, have admitted of the exercise of any such interference, without the express authority of the Government.

I have, &c.

Hyderabad,
6th November, 1819.

(Signed) H. RUSSELL,
Resident.

POLITICAL LETTER *from* BENGAL,

Dated 14th November, 1820.

Political Letter from Bengal, 14 Nov. 1820.

1. By the Lady Raffles and James Sibbald we have had the honour of receiving in duplicate your letter of the 24th May last, conveying the sentiments and orders of your Honourable Court on the subject of the pecuniary transactions in which the house of Messrs. William Palmer and Co. merchants at Hyderabad, had engaged, under our sanction, with the Government of his Highness the Nizam.

2. We shall have the honour of submitting, at the earliest practicable opportunity, a report of our proceedings for fulfilling your pleasure under the orders transmitted to us; contenting ourselves, in the mean while, with this immediate and separate acknowledgment of them, as directed by your Honourable Court.

We have, &c.

Fort William,
14th November, 1820.

(Signed) HASTINGS,
JAS. STUART,
J. ADAM,
JOHN FENDALL.

POLITICAL LETTER *from* BENGAL,

Dated 16th December, 1820.

Political Letter from Bengal, 16 Dec. 1820.

1. It being impossible that any intermediate transaction could take place at Hyderabad, our deliberation on all the circumstances connected with your letter of the 24th of May last has occasioned no loss of time in the fulfilment of

of your object, and we have now the honour to inform you, that we have obeyed your commands, by transmitting instructions to the Resident, according to the sense in which we imagine it must have been your wish the order should be construed. Political Letter from Bengal, 16 Dec. 1820.

2. Messrs. William Palmer and his brother being natives of India, have never stood in need of a license, to authorize their having pecuniary transactions with any of the princes of the country. It is a nice point, and as yet undecided, how far the admission of two British subjects, with inferior shares, into the firm, could limit rights inherent in the head of the house, and not otherwise controllable by this Government: we are, however, so well acquainted with the character of Messrs. Palmer, that we may assure your Honourable Court, no such question will arise, and that the signification of your pleasure will be received with entire submission.

3. In sanctioning certain negociations of the house of William Palmer and Co. with the Minister of the Nizam, the Governor General in Council conceived himself to be acting consonantly to the purview of the 28th clause in the statute 37 Geo. III., chap. 142. As that enactment leaves not only to the Governor-General, but to any other Governor in Council, the amplest discretion, it was inferred, that the Legislature intended the power to be exercised according to considerations of public expedience, and the Governor-General in Council most respectfully submits, that he is unapprized of any restriction, which confines the employment of that power to cases of exigency; though, were the substantiation of an exigency necessary, he apprehends it can be satisfactorily displayed.

4. Although the legislative provision gives to the Governor-General, or Governor in Council, a concurrent power with that assigned to the Honourable Court, for licensing British Subjects to have pecuniary transactions with the Native Princes, implying thereby that the authorization might be independently signified, the Governor-General is unquestionably liable to the heaviest consequences of the Honourable Court's displeasure, should he grant the sanction inconsiderately, or with the intent of benefiting individuals, or in a manner operating to the injury of the prince concerned; nay, even should there be disadvantageous results, arguing improvidence in the measure, however honest its purpose, the Governor General stands within the widest and most acknowledged responsibility to the Honourable Court.

5. Referring to this principle, and endeavouring to shew to the Honourable Court the motives and effects of the several permissions given to the house of William Palmer and Co., it will be expedient not only to state the circumstances to which the letter from the Honourable Court alludes, but to bring into view the more recent transactions of the house with the Nizam's Minister, and sanctioned by this Government. The connection is so immediate, that the considerations cannot be disjoined.

6. At an early period, the Governor-General had been forcibly struck with the objectionable nature of the sway exercised by this Government over the state of Oude. He personally witnessed, that the sovereign was held in undisguised thraldom by the British Resident, while the latter could give no impulse to the interior administration of the country, capable of counterbalancing the paralyzing influence of minute and desultory interferences, which destroyed all efficiency in the native functionaries. The disorder and consequent distress of the country, appeared to the Governor-General not imputable to the misrule of the Nabob Vizier, in any degree equal to that, in which they were chargeable to froward interruptions exercised in the name of the British Government. It was thought by the Governor-General, that by allowing freedom of action to the legitimate power of the State, and only by counsel directing it justly, our ally might be taught to manage his territories with benefit to his people, and with an exoneration of the British Government from the odium which attached to it, as the source of the existing evils. The Council, on an exposition of these sentiments, concurred with the Governor-General. Correspondent instructions were furnished to a new Resident, and the improved condition of Oude justified the experiment. The effects of a system, similar to that which had been corrected in Oude, were

represented

Political Letter from Bengal, 16 Dec. 1820.

represented to the Governor-General as being still more lamentable in the Nizam's dominions. The remedy was there more difficult than in Oude, from the untowardness of the Nizam's personal disposition; yet it was resolved to make the trial, whether judicious or not. It was the conscientious aim of the Governor-General in Council to uphold and preserve entire those Native States which were connected with the British Government by pledges of amity. An imminent danger of disorganization threatened the Nizam's Government, from the mutinous spirit of the troops through grievous arrears of pay, and through the insubordinancy of the feudatory chiefs, each of whom practised dreadful exactions over the Nizam's subjects. Anxiety to cure these evils led to the following measures.

7. On the first establishment of the house of William Palmer and Co. at Hyderabad, the nature and extent of their dealings do not seem to have been exactly defined. It was not until they applied for a sanction, in 1816, that their past transactions appear to have been examined. The scrutiny was very favourable for them, exhibiting, indeed, particulars which strongly enforced the presumption, that the distresses of the Nizam's Government would have come to a crisis, had it not been for the assistance rendered by the house of William Palmer and Co. A conviction of this fact caused the grant of the sanction for which the house applied; and it, at the same time, led to the employment of that instrument more effectually.

8. In 1816 and the beginning of the succeeding year, the probability of serious contest with the Mahrattas became visible. There was an obvious mode of rendering the Nizam more efficient to our aid, by prevailing upon him to have a portion of his soldiery, both cavalry and infantry, disciplined after the manner of our troops, which was practicable only, by allotting a proportion of our European officers to them. This condition would make the troops essentially ours, though paid by the Nizam. His Highness's assent was gained, by his being made to see how he would be enabled, by such a force, to subdue his refractory Zemindars, an object in which he had hitherto failed, either through the collusion of the chiefs sent against them, or the incompetency of that armed rabble to any duty: and it may be stated here, that in this prospect the Nizam was not deceived, the principal rebellious feudatories having been brought into complete subjection by those well organized corps. He has had the further advantage from them, in becoming entitled to enormous gains (emancipation from Chout and acquisition of territory), through the issue of the war in which those troops actually served, in the divisions from the Deccan. The submission of the men to a requisite strictness of discipline, was alone to be obtained by securing to them the accurate discharge of their pay monthly. This was provided for by the Minister, by an arrangement with the house of William Palmer and Co., on terms of unprecedented moderation for that part of India, with the sanction of this Government. It is here not inapposite to remark, that misapprehensions may be entertained, if all the parts of such a subject be not examined. Reference having been made to the Accountant-General, for his opinion as to the convenience or inconvenience of the arrangement, in a pecuniary point of view, for the Nizam, he answered, that he could not see a necessity for it, as the assigned districts had always yielded the estimated revenue; overlooking, that the pay of the troops was to be advanced monthly, and that the produce of the districts assigned for the repayment of those advances was received only at the close of the year.

9. Thus far, we persuade ourselves, your Honourable Court will be satisfied, that the sanction given to Messrs. William Palmer and Co. was guided by perfect rectitude of object; that it was granted with due caution, and that it was productive of solid benefits to both the Honourable Company and the Nizam. We assure ourselves, that your examination of the last and most extensive transaction approved by us, will prove to you that it has exactly the same character. The disorders of the Nizam's dominions lay too deep to be cured by a partial remedy: they menaced the total subversion of the State. This Government, sensible how discreditable to us such a calamity would be, ostensibly pledged, as we were, to support the throne of our ally, made strong and repeated remonstrances to the Minister. We represented the despair and misery

misery to which the greater part of the population in the Nizam's dominions was reduced, through the incessant exactions and violences practised by the lawless troops of different chieftains, and we insisted on his adopting some plan for suppressing those dreadful abuses. The Minister, Rajah Chundoo Loll, first required from us the promise of our support in the undertaking; and having obtained it, subsequently brought forward his detail of the means by which he hoped to achieve the end. Your Honourable Court will perceive that there was but one opinion in Council, as to the exigency of the case. The imminence of excessive embarrassments, and the necessity of precluding them, if possible, were admitted by all; nor was there a doubt as to the expediency of the Minister's aims: the only difference arose respecting the mode by which he meant to furnish himself with supplies for accomplishing his purpose. It would be superfluous to introduce here the detail of the discussions, when your Honourable Court has it in the proceedings of the Council quoted in the margin.* Suffice it to say, that the question never was the inadmissibility of the arrangement with Messrs. William Palmer and Co., and the facing preferably the bursting of the storm, but the possibility of obtaining the loan on cheaper terms elsewhere: a hope which seemed to the Governor-General quite nugatory, and dangerously delusive. What the result of the measure sanctioned has been, will appear from the letter of the Resident, dated 1st of September 1820. The reducing the expenses of the public establishments, at one stroke, by twenty-five lacks annually, is no inconsiderable advantage; yet it bears no comparison with the benefit secured to the state by the discharge of these troops, who were the scourge of the country, and who could not be disbanded till their arrears were paid. This, too, has been followed by the removal of all the chiefs of the districts, through whose connivance the systematic plunder was exercised, so that the general population of the territory has profited signally by the reform.

Political Letter from Bengal, 16 Dec. 1820.

10. If thus it shall be established, that a real exigency demanded the provision of funds to a great extent, for the deliverance of the Nizam's Government from impending peril, the interests of the Honourable Company being deeply involved in the contingency, the view of the Governor-General in Council, in facilitating that provision, may probably be regarded as just. If it shall appear that the house of William Palmer and Co. was the only medium through which the Shroffs of that part of India could be prevailed upon to advance their money, on terms comparatively moderate, and that the Governor-General in Council did not err, in considering certain proposed substitutes as inapplicable, the countenancing the intervention of that house may be deemed an expedient decision. If it shall be in evidence, that the operation of the measure has been importantly beneficial to the affairs of the Nizam, and to the comfort of his subjects, no presumption of wrong calculation will occur. On that ground, the Governor-General in Council may venture to hope for your opinion, that he has not exercised indiscreetly the power vested in him by law, and which he did not know to have been limited by any injunction from your Honourable Court. Up to this point, it is with unfeigned deference assumed that no unfavourable consequence has flowed from sanctioning the instrumentality of the house in question. Your commands, and the orders we have framed upon them, prevent the possibility of risk in future. To annul, in any degree, the effect of the assent, legitimately given, to the past transactions of Messrs. William Palmer and Co., we conceive not to have been in the contemplation of your Honourable Court; nor, indeed, do we imagine it to be within our competence.

11. Having, in the ninth paragraph of this despatch, referred to our proceedings of the 15th July last, to which our regular reports to your Honourable Court in this department do not extend, we have the honour to transmit copies of those documents† as numbers in the packet, together with a copy of Mr. Russell's despatch of the 1st September, also alluded to in the same paragraph.

12. We have also the honour to enclose, as numbers in the packet, copies of minutes‡ by the Governor-General and the Members of the Council, on the subject

* Political Consultations, 15th July 1820. † These Documents will be found on pages 98, et seq.
‡ Vide pages 68, et seq.

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subject of your Honourable Court's orders, conveyed in your letter, to which we have now the honour to reply, and a copy of our instructions to the Resident at Hyderabad, for carrying your orders into effect in the mode proposed in his Lordship's minute.

We have, &c.

(Signed) HASTINGS,
J. STUART,
J. ADAM,
JOHN FENDALL.

Fort William,
16th December 1820.

EXTRACT BENGAL POLITICAL CONSULTATIONS,

The 15th July 1820.

Bengal Political Consultations, 15 July 1820.

Letter from Resident at Hyderabad.

To C. T. Metcalfe, Esq., Secretary to the Government.

Sir:

I request that you will do me the honour to lay before his Excellency the Most Noble the Governor-General, the enclosed translation of a letter from Rajah Chundoo Loll, containing a correspondence which he has had with Messrs. William Palmer and Co., regarding the negociation of a loan to the Nizam's Government, which the Rajah wishes to apply, in prosecution of his measures of reform, to the purposes of reducing unnecessary establishments, making advances for the improvement of the country, relieving the revenue from the heavy assignments which have been granted as security for some debts, and discharging others which stand at a high rate of interest.

As Messrs. Palmer and Co., in their answer to the Minister's proposal, state that they cannot enter into the arrangement without the knowledge and sanction of the Resident, I called on them to explain the nature and extent of the sanction they require. I have the honour to enclose a copy of their answer.

It will be extremely difficult for the Minister to prosecute his measures of reform with any real effect, unless he can obtain the command of a sum of ready money, for the purposes described by him; and he certainly cannot obtain it by any other means than the assistance of Messrs. William Palmer and Co., whose circumstances enable them to secure a combination of the native monied interest. I therefore beg leave to submit the Minister's request to the favourable consideration of Government.

The reduction of establishments, to the annual extent of twenty-five lacs of rupees, which the Minister is making, though certainly not so large as the situation of the Nizam's Government will admit, is still a great deal for the first attempt; and it is my intention, therefore, not to press him with any importunity for other reductions, until he has accomplished the one in which he is now engaged.

The Minister's agreement to consult the Resident on the appointment or removal of Talookdars, is very important as a general principle, independently of its application to the particular case which forms the subject of the accompanying correspondence. There is, perhaps, no one instance, in which the influence of the Resident can be more beneficially exerted, than in procuring the appointment of respectable men to the management of the country, and preventing their removal when they have brought their districts into so flourishing a condition, as either to tempt the Government to raise their rents, or encourage other persons to make higher offers for their appointments.

I have, &c.

(Signed) H. RUSSELL,
Resident.

Hyderabad,
19th May 1820.

Translation

Translation of a Note from Rajah Chundoo Loll to the Resident.

Bengal Political Consultations, 15 July 1820.

Correspondence referred to in the Resident's Letter.

At this time being desirous of reducing the expenses of the Government, so as to make the revenue correspond with the disbursements, and of improving the state of the country, I require the command of a considerable sum of money: First, for the purpose of discharging the arrears due to the establishments which I am reducing, as well as those which must be maintained; Secondly, for advancing tuckavie to the Ryots, with the view of restoring the condition of such districts as have fallen into bad order, whether owing to famine, the ravages of war, or the poverty of the people, which has prevented them from repairing tanks, and of enabling them to bring waste land into cultivation, which will require new tanks and more cattle; Thirdly, for repaying the debts which have been incurred to Soucars and others, on accountof the expenses of the war, many of which stand at a high rate of interest; Fourthly, to relieve me from the necessity of imposing the heavy assignments on the country, which I have hitherto been obliged to grant, to cover such debts as have unavoidably been incurred, and which being a forestalment of the revenue has, by obliging me to require advances from the Talookdars, in some degree weakened my authority over them, and afforded them pretences of oppression and exaction in their districts. I have, therefore, applied to Messrs. William Palmer and Co., whose assistance was necessary to enable me to carry on the affairs of the Government, and who have always shewn themselves anxious to save me from extortion, and who having the confidence of the monied men and bankers, can, in conjunction with them, provide the means of meeting my views, by negociating such a loan for me as may relieve me from my embarrassments, and enable me to resume the assignments which I have granted them, in discharge of my former debt to the house, as well as to carry my present plans into effect. I enclose copies of my letters to the house and of their answers. The assistance for which I have applied is indespensably necessary to the accomplishment of the important object which has been prescribed to me. The sixty lacs of rupees, more or less, which I propose to borrow, shall be applied in advances of tuckavie, in discharging arrears due to troops which are to be retained as well as those that are to be reduced, and in clearing off debts to Soucars and others. The negociation of this loan through Messrs. Palmer and Co., will enable me to reduce establishments to the annual amount of twenty-five lacs of rupees, according to the accompanying statement. Of that sum, sixteen lacs will be appropriated for about six years to discharge the principal and interest of the loan; at the expiration of which time there will be a clear increase to that extent in the actual income of the Government, and the saving of the remaining nine lacs will be of important use in reducing the expenses of the Government to the limit of its receipts, which they had exceeded, on account of the war. Considering myself as a dependant on the British Government, and being solicitous for the accomplishment of the object which you have pointed out to me, I trust that you will have the kindness to call on Messrs. Palmer and Co. to assist me in this necessary object, which relates exclusively to the public interests of the Government; under the conviction that, without a command of money, it will be next to impossible for me to effect the reduction of troops and other establishments which I desire.

I also enclose a copy of the Wajib-ool-Urz which has been sent to me by Messrs. Palmer and Co., with the answers which I intend to give to their several proposals. If you agree in the propriety of them, I will write them on the original Wajib-ool-Urz, and return it to the house.

(Enclosures.)

No. 1.—*Translation of a Note from Rajah Chundoo Loll to Messrs. Palmer and Co.*

My attention having been particularly directed to the improvement of the condition of the country and the reduction of the troops, in consequence of the increased expenses which were unavoidably incurred during the war, and which have involved me in debt to the Soucars, I am now in want of money to discharge these debts, to advance tuckavie to the Ryots, and to pay the arrears

Bengal Political Consultations, 15 July 1820.

Correspondence referred to in the Resident's Letter.

arrears of the troops which I mean to reduce, as well as those which are to be kept up. Your house, during the war, have always given me assistance when I required it; and the present occasion being one of great emergency, I am persuaded you will give me your aid. You may depend upon it, that tunkhas for the discharge of the debt shall be given on districts of which the revenues a reamply sufficient to meet them.

No. 2.—*Translation of a Note from Messrs. William Palmer and Co. to Rajah Chundoo Loll.*

We have had the honour to receive your letter expressive of certain proposals. On account of the kindness which we have invariably experienced from you, and our solicitude for the prosperity of this Government, we are anxious to afford you every possible assistance upon all occasions. The tunkhas which you have already granted to us, to cover our large advances to you, are not yet due, and the amount of them will not be realized for seven or eight months to come. The sums required for the public purposes described in your note must necessarily be considerable; but we are ready to meet your wishes, provided we can protect ourselves and our constituents from loss. We hope you will state to us at once, and without reserve, the whole sum that you will require to accomplish your objects; because we should not be able to raise the necessary sum without the co-operation of the bankers and monied men, and we must apprize them of the purpose for which we require their aid. Having told them the object that the loan was to accomplish, we could not go to them again. The same observation applies to the Resident. You are aware that we cannot enter into an arrangement without his knowledge and sanction, which, if it be obtained once, could not be applied for again for the same purpose. Moreover, we consider that our best security will consist in the assurance, that the sum which is taken up by the Government will be really sufficient to accomplish thoroughly the double object of discharging the whole of the public debt, and the general improvement of the affairs of the Government; and as the rate of our interest is much lower than that of any other person, we have no hesitation in asking you to state to us, at once, the whole amount you will require, and the mode you propose to adopt for the liquidation of it (that is to say, on what districts, and what Talookdars, you intend to give us tunkhas), in order that, after framing the necessary engagements, we may proceed to take steps for the execution of the measure.

No. 3.—*Translation of a Letter from Rajah Chundoo Loll to Messrs. William Palmer and Co.*

I have received your note. I require the sum of about sixty lacs of rupees, to discharge the arrears of troops, including those who will be retained as well as those who will be reduced; to clear off my debts to Soucars and that to you, which I was obliged to incur on account of the expenses of the war; and to advance as tuckavie to the Ryots, which is indispensably necessary to the improvement of the country. I trust, therefore, that you will negociate a loan for me to that amount, in order that I may promote the interests of the Government by applying it to the foregoing purposes. The following is the method which I intend to adopt for the discharge of the loan. I will give you tunkhas for the annual sum of sixteen lacs of rupees, of which fifteen lacs shall be on the districts held by Rao Naneck Ram, and the remaining lac on those of Kurrar Newauz Khan, to remain in force until the whole of the principal and interest shall have been repaid. The Talookdars shall pay that amount out of their collections punctually, until the extinction of the whole debt.

No. 4.—*Translation of a Note from Messrs. William Palmer and Co. to Rajah Chundoo Loll.*

We have had the honour to receive your letter, proposing to us to negociate a loan of about sixty lacs of rupees for you, for the purpose of discharging the arrears of troops, including those to be retained, as well as those to be reduced; clearing off your debts to Soucars and that which you owe to us, and for advancing tuckavie to the Ryots, and describing the method in which you propose

propose to repay that sum. The arrangement which you have framed is, in all respects, agreeable to us. We enclose a Wajib-ool urz, which we require for our satisfaction, and which we request you will execute and return to us. As the Resident's name is inserted in our Wajib-ool urz, his sanction to the arrangement is absolutely necessary; we therefore request that you will communicate our Wajib-ool urz, with the whole of the correspondence, to him, and that you will obtain his sanction, in order that he may take measures for negociating the sum which will be required. You propose to give us a tunkha for one lac of rupees on Kurrar Newauz Khan; but as the article of our Wajib-ool urz, regarding the exclusive appropriation of the districts of Rao Nanek Ram to the discharge of our tunkha, does not apply to the tunkha of a lac of rupees which you propose to give on Kurrar Newauz Khan, we request that a tunkha for that amount may be granted to us from year to year, consulting the preference which we may give to Kurrar Newauz Khan, or any other Talookdar.

No. 5.—*Translation of the Wajib-ool Urz enclosed in the Letter from Messrs. William Palmer and Co. to Rajah Chundoo Loll.*

Proposals of the House.	Answers of the Minister.
1. In payment of the loan of sixty lacs of rupees to be negociated by the house, let a tunkha be granted by the Government for the annual sum of sixteen lacs of rupees, until the principal and interest shall have been discharged; and let no other tunkhas whatever be issued on the districts in which the tunkhas to the house are to be granted, except for Sibendies and the necessary charges of the district.	No other tunkhas shall be issued on the districts on which tunkhas may be granted to the house for the annual sum of sixteen lacs of rupees, until the principal and interest of the loan shall have been discharged.
2. Let the Resident be consulted on the appointment of the Aumil of the district on which the tunkha of the house may be granted. Let no removal or changes be made in the concerns of the district, without the Resident's knowledge. Do not let the tunkha be transferred to any other district without the concurrence of the house, and let no departure take place from the engagement which has been made with us by the Government.	The Resident shall be consulted on the appointment of the Talookdars. The tunkha shall not be transferred without the consent of the house; and what departure can take place from an engagement which has been secured by stipulation?
3. The house will represent to the Minister the merits of any differences or disputes which may arise between the Talookdars of the district on which their tunkha is granted, and the Talookdars of any other districts; and we trust that they may be settled impartially, and without delay, as any circumstance which may be injurious to the district will of course affect the payments to the house.	If (which God forbid) any differences or disputes should arise between the Talookdars, they shall be impartially settled.
4. If the whole amount of the tunkha which is to be granted to the house for the annual sum of sixteen lacs of rupees shall be realized, well and good; otherwise, should any portion of it remain due at the end of the year, the amount of such deficiency shall be paid in cash by the Minister.	If (which God forbid) there should be any deficiency in the payment of the tunkha, it shall be made good by Government.

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Correspondence referred to in the Resident's Letter.

No. 6.—*Translation of the Statement of the Reduction to be made in the Establishment of the Nizam's Government.*

HORSE.

In Rajah Chundoo Loll's party	300 men and	300 horses.
In Rajah Govind Bukhsh's party	300 men and	300 horses.
In Rajah Row Rumbha's party	250 men and	250 horses.
In Noor-ool Omrah's party	300 men and	300 horses.
In Ruffat-ool Moolk's party	350 men and	350 horses.
In Hissam-ool Moolk's party	100 men and	100 horses.
In Fyaz Ally Khan's party	500 men and	500 horses.
In Rao Boochur Mull's party	500 men and	500 horses.
In Rao Naneck Ram's party	100 men and	100 horses.
In Neaz Bahader Khan's party	200 men and	200 horses.
In Kurrar Newauz Khan's party	50 men and	50 horses.
In Mahummud Sahib's party	100 men and	100 horses.
In the parties of Kohee Beg Khan, Zubberdust Khan, Caudir Sahib Dechanee, Buz Meer Khan, and others	300 men and	300 horses.
In the party of Mohkum Jung	25 men and	25 horses.
In the party of Rao Seetul Doss	100 men and	100 horses.
In the party of Mohummud Khan	160 men and	160 horses.
In the party of Newauz Khan	25 men and	25 horses.

Altogether 3,660 men, and 3,660 horses, at forty rupees for each man and horse, giving a total of Rupees 1,46,400 per month, or Rupees 17,56,800 per annum.

FOOT.

In Rajah Govind Bukhsh's party 300 men, Arabs, Rohillas, Sikhs, and other miscellaneous parties, 2,500 men.

In the party of Rao Seetul Doss, 1,000 men, peons 50 men.

Altogether 3,850 men, at six rupees each, giving a total of Rupees 23,100 per month, or 2,77,200 per annum.

JAGHEERDAR TROOPS.

From Shums-ool Omrah	2,00,000
From Mooneer-ool Moolk	60,000
From Ameer-ool Moolk	80,000
From Munsoor Khan	79,000
Rupees	4,19,000

RECAPITULATION.

Horse	17,56,800
Foot	2,77,200
Jagheerdar troops	4,19,000
Add on account of troops whose rates of pay are higher than those estimated above	47,000
Total of annual reduction..... Rupees	25,00,000

Letter from Messrs. Palmer and Co.

To H. Russell, Esq., Resident at Hyderabad.

Sir:

We have the honour to acknowledge the receipt of your letter of yesterday's date. By the sanction which we require from the Resident, we do not mean to imply any security by which the British Government would be responsible for the money we should lend to the minister: all we require is, the certainty that the Resident will use his influence to prevent our being defrauded, or any misappropriation made of the revenues of the talooks on which we are to have assignments. We shall never require that influence to be exerted beyond the

the point to which the Resident can go, without making it a subject of discussion between our Government and his Highness the Nizam's.

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We have, &c.

Hyderabad, 19th May, 1820. (Signed) W. PALMER AND Co.

The following Minutes of the Governor-General and the Members of the Board having been read in circulation, are also ordered to be here recorded, together with a copy of the Governor-General's letter, dated the 8th instant, to the Advocate-General, and Mr. Spankie's answer to his Excellency's reference:

MR. STUART'S MINUTE.

Mr. Stuart's Minute, 10 June 1820.

The letter and enclosures of the 19th ultimo from the Resident at Hyderabad convey the proposition, that this Government shall sanction a pecuniary arrangement between the Nizam's Government and the house of Messrs. William Palmer and Co., under which the house are to advance that Government a sum of sixty lacs of rupees, and to receive assignments on the country to the amount annually of sixteen lacs, until the principal and interest of the loan shall be liquidated.

The papers submitted by the Resident afford no information with respect to the rate of interest or other advantages stipulated by the house, so as to enable this Government to judge how far the arrangement may be an economical and beneficial one for the Nizam's Government.

In my minute of the 10th of November last, recorded on the proceedings of the 1st of January 1820 following, I advanced objections against this Government sanctioning a former pecuniary arrangement between the Nizam's Government and the house of Messrs. William Palmer and Co. upon the ground of the same defect of information which I have remarked on the present occasion. The Board will infer, that I must entertain objections to the present proposition equally insurmountable. My objections, indeed, have acquired increased force from the great and apparently growing extension of Messrs. William Palmer and Co.'s pecuniary concerns with his Highness's Government.

Fort William, 10th June, 1820. (Signed) JAMES STUART.

MR. FENDALL'S MINUTE.

Mr. Fendall's Minute, 16 June 1820.

Upon a perusal of the Hyderabad Resident's letter and its inclosure, it appears that the introduction of a regular reform in the Nizam's Government is no less anxiously wished for by this Government than by the Minister. The mode proposed to accomplish this object is, by reducing unnecessary establishments, making advances for the improvement of the country, relieving the revenues from the present heavy assignments on it given as security for loans, and paying off others which stand at a higher rate of interest. The Minister has represented the impossibility of any attempt towards an effectual reform, unless he can immediately procure a loan to the amount of sixty lacs of rupees; and placing full confidence in the ability of the house of Messrs. William Palmer and Co. to raise this sum, as well as in the liberality of their terms, he has been negociating a loan with them to the extent of the above-mentioned sum. Messrs. William Palmer and Co. have agreed to come forward to the assistance of the Minister upon certain conditions, to which the Minister has agreed. One of these is the previous sanction of the Resident; and in explanation of the nature and extent of this sanction, they do not require the guarantee of this Government for the payment of the loan, but merely such local influence to be afforded them by the Resident, as will protect them from being defrauded. Although no specific mention is made of the rate of interest which is to be paid, yet, from that part of the Minister's proposition which refers to the payment of debts standing at a high rate of interest, it is fairly to be inferred, that the loan in contemplation is to be made at a lower rate than what the old loans bear; and is, therefore, advantageous to the Nizam's Government.

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Mr. Fendall's Minute, 16 June 1820.

Government. It is evident, that unless an immediate loan can be raised, the Minister's plan cannot be carried into execution. The stipulations required by Messrs. William Palmer and Co., appear calculated only to secure the due and regular payment of the loan; and as the Resident takes no notice of any other tenders more favourable to the Nizam's Government having been made, but on the contrary, represents the impossibility of the Minister's obtaining it by any other means than through the house of Messrs. William Palmer and Co., I am of opinion that every facility, short of guarantee for the repayment, should be afforded towards the completion of the proposed loan.

Fort William,
16th June, 1820.

(Signed) JOHN FENDALL.

MINUTE *of the* GOVERNOR GENERAL.

Governor General's Minute, 17 June 1820.

The letter from the Resident at Hyderabad, dated 19th May, soliciting that this Government would sanction the advance of a considerable loan by the house of William Palmer and Co. to the Nizam's Minister, Chundoo Loll, demands a special explanation of the course I mean to pursue, on account of former discussions connected with the subject, and of sentiments now expressed upon it.

That the loan must be advantageous to the house of William Palmer and Co. cannot be questionable, as otherwise they would have no inducement to listen to the application of the Minister. A person in whom I take a very lively concern, from his having married a ward of mine, brought up nearly as if she had been my daughter, is a partner in that house. The degree in which his interest is engaged in the proposed transaction might, without my being conscious of the bias, warp my judgment. I shall, therefore, forbear taking part in the decision of Council; but it is incumbent on me to define some advertences which must attend it.

I have put upon record my deep anxiety to save the Nizam's Government from a peril which immediately overhangs it. The disorder in the finances of the Hyderabad State not only produces a general oppression of the subjects, discreditable for us to uphold, but has thrown the army into arrears so grievous, as that extensive mutiny is likely to break out at any moment. Revolting at the idea, that the dissolution of that Government might be made profitable for strengthening our position in that part of India, I contemplate such an event as big with reproach to us, the nominally protecting power. It would be a heavy impeachment of the British character, were we chargeable with not having exerted the influence which we possess, or applied the resources which we command, to secure from so serious a calamity a sovereign who depends on our foresight and good faith. Adopting my sentiments, this Government directed the Resident to call upon Rajah Chundoo Loll for instant measures to parry the impending evil; the reducing the expenditure of the state within its regular income being pointed out to that Minister as the only mode of avoiding the convulsion, and as thence indispensable.

The representation has been frankly and manfully met by the Minister. He has, as a first step, brought forward a detailed plan for immediately dismissing an amount of troops, the aggregate of whose pay is twenty-five lacs yearly. It is, however, stated by him, that he cannot get rid of those troops without liquidating their arrears, which he is unable to effect but by means of a large loan. The sum is proposed by him to be borrowed through the agency of William Palmer and Co., and the terms are agreed upon between the parties, subject to the assent of this Government. Repugnance to this arrangement is professed here. In a matter of such pressing and serious import, I am entitled to expect that some intelligible way of settling the difficulties will be suggested by those, who desire to reject the present proposition. Its outline is, that the whole capital, with the interest, shall be paid off in six years; for which purpose an assignment of territorial revenue, furnishing sixteen lacs annually, is to be granted to Messrs. Palmer and Co. Mr. Stuart pronounces it to be an insurmountable bar to his concurrence, that the rate of interest is not specified. The assignment is calculated to yield in six years ninety-six lacs. Deducting the proposed amount of the capital (sixty lacs), there would remain thirty-six

thirty-six lacs; that is to say, six lacs for every year. This would be ten per cent., were the capital unreduced. It would come to a higher rate were the six lacs still payable as interest, notwithstanding the yearly diminution of the capital by ten lacs; but it would be extravagant to presume any such condition. The computed receipt of sixteen lacs is only the security to William Palmer and Co., through which the gradual liquidation of the capital and regular payment of the interest is to be effected; while the moderation of the terms is evinced, by the destination of a portion of the sum to pay off debts standing at heavy interest.

This, however, is not the only objection: in a looser way, two others have been hinted. It is said to be undesirable that a British house of agency should have any concerns with the Nizam's Government: secondly, it is argued, that the furnishing a loan of such extent would give to the house of Palmer and Co., an influence over the Minister, which no British subject ought to possess. As to the first, the original permission to the house of William Palmer and Co. to deal with the Nizam's Government was granted, as I have understood, from the notoriety, that the Nizam could not, at the time, be kept afloat, but by such efficacious aid; and I have always heard, that the benefits arising from the intervention of that house, were as distinctly acknowledged by this Government as by the Court of Hyderabad. As to the second objection, a creditor on so great a scale will, in ordinary instances, have powerful weight over the administration to which he has furnished the supply; but, did this stand good on the present occasion, there would only be to estimate that disadvantage against the hazarding such embarrassment and injury to the Honourable Company's concerns, as must be anticipated from wide convulsion in the Nizam's Dominions. It is not, however, easily comprehensible, that such an influence could operate inconveniently, or indeed could ever be employed at all, when the real security to the lenders exists solely in the countenance and support to be given to them by the representative of this Government. I therefore hold those arguments to be wholly inapplicable; and I repeat, that if this provision for the exigency of the Nizam's affairs be condemned, an available substitute should be offered by those who counsel the rejection. It will not do to say, "were the house of William Palmer and Co. put aside, I have no doubt but "that the Shroffs would produce the money." Some reasonable ground for trusting to such a persuasion ought to be shewn, where the consequence of a fallacious reliance may be so distressing. Against such a loose presumption we have the positive declaration of the Resident, that the loan cannot be procured from native bankers alone. Clearly, they fear to advance their money but through a British house, the interest naturally taken in which by this Government gives them a confidence, such as they could never feel in a direct negociation with a Native Court.

A point of no small delicacy presents itself on the above unequivocal assertion of the Resident. Is he to be credited or not? Such a circumstance is supposable, as that there might be a corrupt understanding between the Resident, the house of Palmer and Co., and the Minister. When I state it as within possibility, I feel bound to declare my solemn conviction, that there is not room for any imagination of the kind; and I make that profession not merely from the known and established character of the persons, but also from the total absence of any particular that could justify the shadow of such a notion, when the relations between the parties were recently stated in Council. If a different conception has been formed in the mind of any Member of the Board, its bearing must extend far beyond the limit of the question now before us. It involves considerations of the deepest importance to the concerns of the Honourable Company; therefore I distinctly say, that any Member of Council impressed with such a suspicion, is bound in duty to avow it, and to specify the grounds on which he entertains it. If there be no colour for a doubt of the Resident's integrity, it will be difficult to refuse the testimony which he, on the spot, bears to the inability of the Nizam's Minister to procure the necessary funds, otherwise than in the way proposed. I recur, then, to my position, that they who impugn the plan are under the obligation of this alternative:—They must record, that they think the existing distresses and apprehended subversion of the Nizam's Government a less evil than the possible con-

 sequences

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sequences of the projected remedy, or they should shew some other practicable course, through which the Minister can effect what we have enjoined.

Fort William, 17th June 1820. (Signed) HASTINGS.

MR. STUART'S MINUTE.

Mr. Stuart's Minute, (not dated.)

I have had the honour to peruse the Governor-General's minute of the 17th instant, upon the subject of the Hyderabad loan.

I perceive that, from the Minister's representation to the Resident, his Lordship infers the interest upon the proposed loan to be ten per cent.

If I could satisfy myself on that head; if I saw accurate ground for inferring that the interest and charges of all descriptions were not meant to exceed ten per cent., I should not hesitate to express my opinion of the fairness and reasonableness of the terms.

In that case, I should not, indeed, abandon the objections which I stated on a former occasion, to a single house of agency holding a monopoly of pecuniary supply to the Nizam's Government; but viewing the urgency of that Government's pecuniary wants, and the prospect of its obtaining prompt assistance by the adoption of the proposition, I would not propose my objections against it as a temporary measure.

But, on calculation, I find, if ten per cent. be assumed as the interest and charge of the loan, the appropriation of sixteen lacs per annum would extinguish the loan, principal and interest, in five years, and leave a surplus of a lac of rupees.

If sixteen per cent. be assumed as the amount of interest and charge, then the annual appropriation of sixteen lacs for six years would extinguish the loan, principal and interest, all but about two lacs and a half of rupees.

That calculation squares very well with the Minister's statement, who says, that the application of sixteen lacs for about six years will extinguish the debt.

These results confirm, in my humble judgment, the desirableness of procuring the more accurate information which I had wished on the terms of the proposed loan, including interest and charges of all descriptions.

His Lordship has expressed his expectation, that they who desire to reject the present proposition, will suggest some mode of providing for the exigency.

Upon that point I beg permission to remark, that the opinion which I have expressed went merely to suspend the decision of Government until further information should be obtained. I have already stated, if the terms of the proposed loan were satisfactorily shewn to be at the rate which his Lordship has inferred, I should be prepared to assent to the measure.

But supposing the house of William Palmer and Co. to expect terms which this Government should not deem reasonable, I should not anticipate difficulty in otherwise providing for the exigencies of the Nizam's Government.

In professing that opinion, I assume, that the influence of the Resident is sufficient to ensure the realization of the assignments which the Nizam's Minister proposes to grant as security for the money which he wants to borrow. It appears to me, that the operations of the house of William Palmer and Co. are founded on that confidence.

That assumption being admitted, it appears to me that, perhaps, the best and simplest plan might be, to advance at once from this Treasury the sum which the Minister wants.

The financial situation of this Government is peculiarly favourable to such a measure. Not to mention other circumstances, it is understood that the greatest part of the half-yearly interest, for the payment of which cash has been collected at the Treasury, is likely to be taken out in bills. That circumstance will place about fifty lacs of rupees at the disposal of Government; and

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Mr. Stuart's Minute, (not dated.)

and I imagine that the appropriation of it, with the addition of ten lacs, to supplying the wants of the Nizam's Government, would not only be not inconvenient but advantageous.

Should there be obstacles, of which I am not aware, to that plan, I think that by encouraging competition, the Resident, in the present glut of money in the markets of India, would experience no difficulty in raising the sums required upon moderate terms.

If assurances of the Resident's protection should not succeed in drawing the desired supply from the native bankers at Hyderabad, I should presume that invitations to the opulent and respectable commercial firms at the different Presidencies, could hardly fail to accomplish the object.

I have been concerned to observe, that the doubts which have been entertained upon the Resident's propositions, should have appeared to his Lordship open to the construction of a personal reproach to that officer.

I have certainly held the matter to be one, on which the Government has been called to exercise its own judgment. In exercising mine upon the Resident's propositions, I have seen grounds not to reject them, but to suspend my opinion upon them, until they should be more satisfactorily elucidated than they appeared to me to be. But I can with entire sincerity declare, that the opinions which I have expressed have been independent of all personal reference to the Resident.

His Lordship has been pleased to advert to the interest which he takes in the welfare of a gentleman who is associated in the house of Messrs. William Palmer and Co.

Even to the illustrious character and high station of the Governor-General, the avowal of such an interest can be only honourable. Next to the highest objects of power, the good of our country and of mankind, the opportunities which it affords of promoting the welfare of those endeared to us by friendship and affection, will be deemed by generous minds the fairest reward of its toil and anxiety. How forcibly such ties must be felt by his Lordship, will be understood by all those who know the kindness and benignity of his nature. How much gratification I shall always derive from being able to concur in his Lordship's indulgence of that feeling, how much mortified I must be when motives of duty may constrain me to deny myself that happiness, I hope I need not profess. The sentiment is due, no less to his Lordship's exalted station in the Government, than to the kind and liberal disposition which he invariably manifests, to meet claims of a similar nature on the part of the other members. But whatever may be the difference of views upon the present case, there is one point upon which I venture to submit a confident opinion. I do not hesitate to pronounce, that his Lordship is the only person who can think that his friendship for a gentleman, whose interests are involved in the question, constitutes the slightest ground for his withdrawing from the determination.

[Not dated.] (Signed) JAMES STUART.

MR. ADAM'S MINUTE.

Mr. Adam's Minute, 5 July 1820.

Having assented to the arrangement made with the house of William Palmer and Co. of Hyderabad, under the sanction of the British Government, for providing funds for the payment of the regular forces of his Highness the Nizam in Berar, it is necessary that I should state distinctly my sentiments on the measure now proposed by the Resident, which may seem to rest on a similar footing of expediency. The considerations which weighed with me, in acceding to the former plan, were shortly these. There seemed, at the moment, no other equally convenient and economical mode of securing the supply of the required funds, at a specified time and place, for the regular payment of the troops, on the punctuality of which their efficiency was understood to depend. The ordinary resources had failed, or at least were in such danger of failure, as to make any reliance on them wholly insecure. The terms offered by Messrs. William Palmer and Co. were represented, and I believe correctly, to be more favourable than any other that could be obtained by

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by the Nizam's Minister on his own credit, or that of the State, while the condition of the money market and of our own treasury did not enable us to assist him in procuring funds elsewhere, or by direct pecuniary advances. On the whole, it appeared to be as favourable an arrangement for the Nizam as circumstances would admit of; and, as such, a fit object for the sanction of the British Government, so deeply interested in the welfare of its ally, and in the permanence of an establishment so conducive to the preservation of our ascendancy and of the general tranquillity, as the Nizam's regular forces. But while the force of these considerations led me to accede to the former plan, I was never insensible of the objections to encouraging, or even permitting, extensive pecuniary dealings between a Native Government and an opulent British house of agency; and if any other available resource had presented itself, I would willingly have resorted to it, in preference to a measure which, whatever was its convenience in other respects, had that objectionable feature. This brings me to the question immediately before us, namely, whether we should adopt the Resident's proposition, or assist the Minister with other means for effecting his reforms; for I willingly admit, that we are not entitled to oppose his plan, if we do not furnish him with a better. Such a one is, in my judgment, to be found in the suggestions contained in Mr. Stuart's minute, which appears to me to offer every possible advantage to the Minister as a pecuniary arrangement, with some convenience to the British Government, and to be in some respects unexceptionable, either in a financial or political point of view. As a financial question, it will necessarily, if it be entertained by the Board, become a subject of official reference to the Accountant-General, on whose statement, I presume Mr. Stuart's representation of the state of the Treasury to be founded. Entertaining this decided opinion in favour of a direct advance from our own Treasury, on solid security, such as is of course attainable, I might dispense with further observations on the plan submitted by the Minister. But if the other arrangement should unexpectedly be opposed, by objections which are not at present visible to me, I conceive that we should, at all events, call for more distinct information concerning the terms of the proposed loan from Messrs. William Palmer and Co., before it is sanctioned. At present, we are left to infer the actual rate of interest; and the imperfect means of coming to any thing like an accurate conclusion on this point, from the information before us, is evident, from the different results of the calculations of the Governor-General and of Mr. Stuart. In the event of the high rate of interest proving to be that which it is intended to demand, I conceive that an endeavour should be made to procure more favourable terms. We have lately seen a large loan negociated for the Guicowar at nine and a half per cent. The facilities of borrowing at Hyderabad, if not opposed by a combination, ought not to be inferior. I have been struck by a passage in Mr. Russell's letter, *viz.*, that the Minister cannot obtain the requisite funds "by any other means than the assistance of Messrs. William Palmer and Co., "whose circumstances enable them to secure a combination of the Native "monied interest." If this be so, I am so far from considering it as a motive for giving the additional strength to such an influence which it would derive from the proposed loan, that it seems to me to form a powerful reason for abstaining from any measure calculated to confirm a monopoly, from which no good can result, either to the Nizam's Government or the general commercial interests of the country, and for resorting to the plan of a direct loan from the British treasury. That measure has accordingly my decided preference. I trust that I need not profess, that I have endeavoured to form my judgment of this question solely upon its own merits. In dissenting from Mr. Russell's recommendation, I distinctly disclaim the slightest suspicion of his having been influenced by any other motive in bringing it before us, than a sense of public duty. I am satisfied that he considers the plan to be the best that can be followed for the benefit of the Nizam's Government; and although I cannot agree in this view of the subject, a doubt of his integrity never entered my mind.

I am concerned to perceive that the Governor-General has intimated his intention of taking no part in the determination of this question. No one can estimate more highly than I do, the feeling which has prompted this resolution.

tion. But I trust his Lordship may see reason for departing from it; for although I have the misfortune not to concur in opinion with his Lordship on the case before us, I am fully persuaded that no decision on a subject of such importance, in which he shall not take a part, can be satisfactory, either to ourselves or to the authorities at home.

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Fort William, 5th July 1820.

(Signed) J. ADAM.

MR. FENDALL'S MINUTE.

Mr. Fendall's Minute, 7 July 1820.

I have perused the minutes of the Governor-General, Mr. Stuart, and Mr. Adam, as also the correspondence which has taken place upon the subject of the loan required by the Minister at Hyderabad, to carry into effect the plan of reform in that Government. During the discussions which have taken place at Hyderabad, no mention is made as to what rate of interest the loan is to bear; but, upon reference to the time in which it is to be liquidated and the appropriation of the annual sum of sixteen lacs of rupees for that purpose, I infer with Mr. Stuart, that the rate of interest is sixteen per cent. The sum wanted by the Minister is sixty lacs of rupees, and Messrs. William Palmer and Co. have engaged to negociate the loan to that extent, upon certain conditions agreed to by the Minister. It cannot be supposed that Messrs. William Palmer and Co. have the means of providing for this sum from their own funds, but must look for the assistance of monied men, and particularly native bankers, to its completion. They will not, I think it is evident, come forward, unless they have the intermediate security of some respectable house of agency in which they can place confidence, and this confidence they appear to have in the firm of Messrs. William Palmer and Co. What interest they will demand it is not easy to say; but, from the former loan having been negotiated at twenty-four per cent., I do not imagine they will advance their money at less than twelve per cent. In addition to the interest which Messrs. William Palmer and Co. must pay to the native bankers, they must be at some expense in realizing the annual assignments, perhaps not to the extent of the remaining four per cent.; but they must also naturally look to derive some advantage, to cover the risk and responsibility which will attach to them as the negociators of this loan, which, at the inferred rate of sixteen per cent., is one-third less than the former one bore. Taking, therefore, into consideration the reduction of the interest obtained, the risk and responsibility incurred by the house in standing between the Minister and the native bankers, and the expense in realizing the assignments, the rate of interest does not appear to me exorbitant, provided the inferred sixteen per cent. covers all expenses. With respect to this Government advancing the loan, I have very great doubts as to the policy and expediency of the measure. I submit, with great deference, whether it might not instil into the mind of his Highness the Nizam, suspicions unfavourable to the good faith of this Government; whether it might not be suspected to be a preliminary step towards encroachment of this Government, prejudicial to the interests of his Highness; and should suspicions arise, however unfounded they are, whether obstacles would not be thrown in the Minister's way, which would render all his attempts at effectual reform nugatory. If the loan be made by our Government, the cash must be remitted from hence, either by bills of exchange or in specie, which must clog the loan with additional expense; and, in the latter mode, in addition to the expense, there will be the risk of transportation. If the assignments are not regularly paid, unpleasant discussions must take place between the Minister and the Resident, and a heavy responsibility will rest on this Government; all which will, in my opinion, be avoided, if the loan be negociated by Messrs. William Palmer and Co., and our interference limited to its proper boundary. I confess I do not perceive that any house of agency can obtain an undue influence over the measures of the Minister, by its having the negociation of this loan. Admitting even any attempt at such interference being tried, the Resident, I should think, has it in his power to prevent its taking effect. The credit of any house of agency at Hyderabad must, I should conceive, depend in some measure upon the countenance and support shewn it by the Resident, and the

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apprehension of doing any thing which might compel the Resident to withdraw his countenance and support, must, I think, prevent it from attempting any interference, further than in effecting the completion of agreements entered into by the Minister. I submit the foregoing remarks with great diffidence; but I am compelled to do so, from a conviction that the safest and best mode of effectually supporting the Minister, in the completion of the plans which he has so zealously undertaken, will be by allowing the negociation with Messrs. William Palmer and Co., as recommended by the Resident, to proceed, and confining the interference of this Government to the terms stipulated by the house and agreed to by the Minister. I cannot conclude without expressing the high respect and veneration I feel for the motives, which have induced the Governor-General to decline taking part in the decision of the Council upon the present occasion, and sincerely lamenting, that the circumstance alluded to by his Lordship should deprive us of the benefit of his judgment upon the case.

Fort William,
7th July 1820.

(Signed) JOHN FENDALL.

GOVERNOR-GENERAL'S MINUTE.

Governor General's Minute. 9 July 1820.

Having already explained so fully my sentiments on the proposed loan to the Nizam, little remains for me to add, beyond the expression of my opinion respecting what Mr. Stuart and Mr. Adam consider as possible substitutes for that measure.

First, however, I must observe, that I have been misapprehended, when it was supposed that I computed the interest at only ten per cent. I had no information whatever on which I could ground such an assumption; nor was such a rate reconcilable to probability, aware, as we are, of what has been for a long time back the course of money transactions at Hyderabad. To an arbitrary inference that the terms must be extortionary, I opposed a calculation, loose indeed, yet sufficient for that purpose, to shew there was no reason for adopting such a conclusion. I shewed that the portion of the assignment which would remain, after extinguishing ten lacs of capital in the first year, would be only ten per cent. on the original sum. The residue, in succeeding, would furnish an aggravated interest, in proportion as the capital was reduced; but the contemplation could not be confined to any one of the latter years: the whole transaction must be taken together, and then the aggregate amount of interest could not be exorbitant, when compared with the known rate in that part of India. The calculation of Mr. Stuart squares so well with the time reckoned upon by the Minister, that I should expect sixteen per cent. to be the agreed condition. The borrowing at eight per cent. less than he has hitherto done is so evident a relief to the Nizam, that the arrangement (with the reform which it is destined to effect) must be deemed advantageous, if no less burthensome plan could have been fashioned. On this head the Resident speaks decisively, in his letter of the 19th May 1820. The passage is quoted in the margin.*

To obviate the difficulty asserted by Mr. Russell, Mr. Stuart and Mr. Adam propose the issue of sixty lacs of rupees to the Nizam, as a loan, from our Treasury. Mr. Fendall judiciously anticipates the alarm and invincible repugnance with which the Nizam would meet such an offer from us. In corroboration of Mr. Fendall's opinion, I request the attention of the Board to the communication which we received from the Resident, in his letter of the 30th April 1820.† A more powerful instrument for working on the jealousy of the Nizam could

* "It will be extremely difficult for the Minister to prosecute his measures of reform with any real "effect, unless he can obtain the command of a sum of ready-money, for the purposes described "by him; and he certainly cannot obtain it by any other means than the assistance of Messrs. Wil- "liam Palmer and Co., whose circumstances enable them to secure a combination of the Native "Monied Interest. I therefore beg leave to submit the Minister's request to the favourable "consideration of Government."

† "A combination appears to have been lately formed between Mooneer-ool Moolk, Ameer-ool "Moolk, Shums-ool Omrah, Shar Yar-ool Moolk, and some other principal persons about the "Nizam, to resist the measures of retrenchment in which the Minister is engaged, and by which "they

could not be furnished to the enemies of Chundoo Loll than such a proposition. But that is not the sole objection. No consideration shall ever induce me to assent to a measure, sure to be viewed with suspicion and disfavour at home. The advance of such a sum from the Company's Treasury to a Native Prince would not fail to be generally regarded, and probably to be charged in Parliament, as an insidious policy, on my part, to entangle the Nizam in obligations not expected to be fulfilled, the failure in which should give me the pretext for subjugating him to that thraldom, whence I am really labouring to extricate him. I repeat, that I never can be prevailed on to concur in such a proposition; which is at the same time intrinsically unadvisable, as it would, to a certainty, entail those very interferences in the Nizam's internal administration which we have been recently condemning.

Mr. Adam, as an alternative, suggests that a loan might be obtained from other sources, under a declared protection either from this Government directly or from the Resident. He unfortunately instances the nine and a half per cent. loan negociated for the Guicowar in that manner. The illustration immediately brings forward the objection. The measure to which Mr. Adam alludes necessitated the Bandhary system at Baroda. That system was glanced at, in discussions respecting Hyderabad, very lately in the Council; and I thought we had been unanimous in reprobating the notion of any procedure, which could even virtually involve us in a similar species of pledge to overrule the Nizam's expenditure. The Resident at Hyderabad was explicitly informed, I know not whether in a public or private letter, that this Government would never furnish even an implied security to parties furnishing the Nizam with money. He has, on this occasion, exacted a declaration from Messrs. William Palmer and Co., that they do not understand, as any such indirect assurance, the sanction which they request from Government. Unless we depart from the above principle, which I have no disposition to abandon, what chance can there be of the Nizam's procuring money by recurrence to Shroffs in various places?

I conceive Mr. Adam to have entirely misconstrued a material particular in the Resident's letter. It is supposed by Mr. Adam that there is the avowal of a combination, headed by the house of William Palmer and Co., to exclude the greater portion of the Shroffs. The obvious meaning of the passage is, that William Palmer and Co. had prevailed on the Shroffs to combine with them in producing the amount of money wanted, and which the house could not of itself furnish.

This question cannot, for any practical end, be considered unconnectedly. It is not a simple discussion on the more or less of interest expediently admissible. Unless the consultations which we have held, and the determinations which we have recorded respecting the condition of the Nizam's dominions, were absolutely inept, there is the most urgent call for efficacious remedial procedures in that State. We enjoined the Resident to press upon the Minister the necessity for immediate steps of reform: the evil was represented as not admitting of procrastination or palliatives. We were moved to this intervention by the clear perception, that extensive convulsions in the Nizam's territories would not only be materially injurious to us in that quarter, but would infallibly stir up commotion north of the Nerbudda, and subject us to heavy expense. Our assurances of support were plighted to the Minister, in case he would undertake a measure which we both knew must draw upon him the violent hostility of all those powerful chiefs about the Nizam's court, whose emoluments were to be curtailed by the proposed alterations. On the faith of our pledge, Chundoo Loll embarks in an enterprize, which puts to hazard his very existence. Having nothing specific prescribed to him, he frames for himself an arrangement which, though only partial, exhibits a beneficial result, in the degree of instantly furnishing to him an additional revenue of nine disposable

" they find that their undue emoluments will be seriously affected. For this purpose they endea-
" voured, by alarming the Nizam's jealousy, to make him a party in their cause. They represented to
" him that in this, as in all other instances, Chundoo Loll was merely a tool in the hands of the
" British Government, and that, under the specious pretext of reducing his expenses and reforming
" his affairs, we were in reality preparing a scheme for taking possession of his Government and
" Country."

Bengal Political Consultations, 15 July 1820.

Governor General's Minute, 9 July 1820.

disposable lacs for six years; after which period, the improvement of income achieved by the operation will stand at twenty-five lacs annually. Instead of encouraging this first effort to meet our wishes, we tell him that his conduct is improvident, and we assert that he might have made a better bargain, though he and the Resident both declare the terms of this loan to be the most advantageous that the situation of affairs in that country could enable the Nizam's Government to procure. But there is a consideration still more serious than the repressing the confidence and the activity of Chundoo Loll. The importance of time, and the lapse of it, seem to be entirely overlooked, though we professed delay to be perilous. The suspense inevitably gives formidable advantage to the party opposed to Chundoo Loll, and that advertence should call our attention to the risk of a dilemma. It would be an awkward alternative, when we must either forfeit our honour to Chundoo Loll, or must interfere for his protection, with an open usurpation of control over the Nizam, painful to our sentiments, and destructive of the liberal system which we have endeavoured to establish. I thence solicit a speedy and final decision.

Fort-William,
9th July 1820.

(Signed) HASTINGS.

MR. STUART'S MINUTE.

Mr. Stuart's Minute, 11 July 1820.

In suggesting that this Government should extend relief to the Nizam's Government, by an advance of money direct from the Treasury, I had certainly not foreseen the difficulty to which that measure has appeared to the Governor-General and Mr. Fendall to be liable.

I have been accustomed to think the exercise of the British power over that Government to have been for many years so confessed and decisive, that I had not anticipated any general increase of dissatisfaction, or claim, from the proposed advance of money.

Nor did I contemplate any probable inconvenience from the probable operation of the measure upon the mind of the Nizam.

The information on our records shews, that that prince has long entertained sentiments of jealousy and aversion towards the British Government, which the measure would hardly increase, and which have led to his exclusion, by our power, of all authority in the State.

The reasons, in explanation of the measure, which the Government would have been able to submit to the authorities in England, would, I should have hoped, have prevented the misconstruction of which his Lordship is apprehensive.

Having already had the honour to offer my sentiments fully on the question, I leave the specific course which it will be proper to follow, without further observation, to the wisdom of the Board.

Fort-William,
11th July 1820.

(Signed) JAS. STUART.

To R. Spankie, Esq. Advocate-General.

Letter from the Governor-General.

Sir:

Were a large loan (not less than £700,000) from our Treasury to a Native Sovereign to be recommended by supposed motives of policy, I wish to know if such an application of the money would be legal.

The project implies a surplus, either existing or anticipated; because the procedure would otherwise be clearly irreconcilable to duty. Now I apprehend, that the Legislature has established a specific destination for the surplus of Indian revenue, and I am thence doubtful whether the measure alluded to would not be a contravention of the statute.

I have, &c.

Fort-William,
8th July 1820.

(Signed) HASTINGS.

To

Bengal Political Consultations, 15 July 1820.

Letter from the Advocate-General

To his Excellency the Governor-General, &c. &c. &c.

My Lord:

I have the honour to state, in reply to your Lordship's letter of the 8th instant, that a loan to a Native Prince, in the circumstances therein supposed, out of any surplus of revenue in the hands of Government, appears to me inconsistent with the appropriation directed by the 53d Geo. III., cap. 155. sec. 55 to 61, and, in my opinion, would be illegal.

I have the honour to be, &c.

Fort William,
11th July 1820.

(Signed) R. SPANKIE,
Advocate-General.

MR. ADAM'S MINUTE.

Mr. Adam's Minute, 12 July 1820.

I am concerned to find, that the plan for assisting the Nizam's Government, by a loan from the British Treasury, is viewed with such repugnance by the Governor-General. I certainly did not conceive it to be open to the objections urged by his Lordship and by Mr. Fendall, nor on any other grounds materially exceptionable; and, with the utmost deference for the authority that has pronounced against it, I must continue to regard it as preferable, in every point of view, to the measure recommended by the Resident at Hyderabad. I imagine Rajah Chundoo Loll to entertain too just a confidence in our good faith, and in the sincerity with which we are co-operating with him in the reform of the administration at Hyderabad, to suspect us of any insidious design, in tendering the loan directly from ourselves. He must feel, I think, that the territorial security he has offered to Messrs. Palmer and Co. is no less adequate to the discharge of a debt on more favourable terms to the British Government, and he cannot suspect us of the enormous injustice of wresting that loan to our own selfish purposes, and to the injury of his Sovereign. I should not object, however, to leaving this point to be determined by the result of a proffer of the loan to Chundoo Loll; and I would by no means propose to press it on him, against his wishes or his prejudices. The effect it might produce in the mind of the Nizam, I conceive to be of very inferior moment. We may presume, indeed, from his ordinary conduct, that having given his consent to the reform, and entrusted the Minister with the execution of it, he will not take any interest in the manner in which it is accomplished. If the enemies of Chundoo Loll should draw his Highness's attention to the loan, and endeavour to pervert it to the Minister's disadvantage, I should even then scarcely consider the degree in which the Nizam's confirmed jealousy and dislike of the Minister and the British Government would be increased by this means, as a reason for receding from the plan, provided it were acceptable to the Minister himself.

I feel all the importance attached by the Governor-General to the views that may be taken of this transaction at home; but I confess, that the grounds on which it is to be explained and defended, appear to me to be so clear, that we should entertain no apprehension of their being liable to misconstruction by the unprejudiced part of the public.

I shall be very happy to find that I have misapprehended the import of the passage in Mr. Russell's letter, which appeared to me to imply, at least, the power of the house of William Palmer and Co. to create a combination of the monied interest at Hyderabad. If that were disproved, and the terms obtained through the intervention of that house shewn to be as advantageous to the Minister as any that could be got elsewhere, much of my objection would be removed, though I still should think, that that house had as large a share of pecuniary engagement with the Nizam as it is desirable for any single establishment to have.

In adverting to the recent loan effected for the Guicowar, I had no other object than to shew, that money was obtainable by a Native State on easier terms than those of the proposed Hyderabad loan, and to suggest the practicability of terms, nearly as favourable, being procurable by the Nizam's Minister.

Bengal Political Consultations, 15 July 1820.

Admitting that our interference with the Guicowar's internal administration has been carried beyond wholesome limits, I conceive myself to be justified in assuming, that the recurrence of an improper intervention has been guarded against, in the arrangements connected with the particular loan in question.

Mr. Adam's Minute, 12 July 1820.

The pressure of time, and a disinclination to prolong the discussion, prevent me from enlarging further on the subject; but I have thought the few foregoing observations necessary in support of the view I take of the question under consideration. The opinion of the Governor-General and Mr. Fendall being adverse to the loan from the British Government, that proposition is, of course, negatived. I have stated in my former minute the course which, in that event, I conceive ought to be pursued, and it will remain to be decided by the majority of the Board how far that course is expedient, or the reverse.

Fort William,
12th July 1820.

(Signed) J. ADAM.

MR. FENDALL'S MINUTE.

Mr. Fendall's Minute, 13 July 1820.

I have perused the further minutes of the Governor-General, Mr. Stuart, and Mr. Adam, upon the Hyderabad loan, and concurring, as I have the honour to do, in the sentiments expressed by his Lordship upon the plan proposed by Mr. Adams, for affecting the loan, I have now only to repeat what I have before stated, that the safest and best mode this Government can pursue, is to close with the terms recommended by the Resident, and agreed to by the Minister and the house of Messrs. William Palmer and Co.

Fort William,
13th July 1820.

(Signed) JOHN FENDALL.

MR STUART'S MINUTE.

Mr. Stuart's Minute, 14 July 1820.

Mr. Spankie's opinion, for which I have always a high respect, appears to me, on the present occasion, I will not say wrong, but irrelative.

The question to Mr. Spankie contains an assumption to which I cannot assent, *viz.* that the proposed advance implies either existing or anticipated surplus. If the proposed expenditure be expedient for promoting essential political interests, I cannot see that we must await or anticipate a surplus before we can legally incur it. That is the question I should desire to put to Mr. Spankie. The matter appears to me to turn not upon the appropriation of surplus, but upon the application of the revenues and funds of the state. Until all expenditure incident to the military, civil, and political Government of India be supplied, there can, I imagine, be no question of a surplus or of its appropriation. This is my first impression of the legal view of the case; but the point will, of course, require mature consideration. What is there in the statute to prevent the Government borrowing for such a purpose?

Fort William,
14th July 1820.

(Signed) JAS. STUART.

MR. ADAM'S MINUTE.

Mr. Adam's Minute, 14 July 1820.

I have only to remark on the subject of Mr. Spankie's opinion relative to the proposed loan to the Nizam's Government, that I do not consider the appropriation of surplus revenue, either actual or prospective, to be involved in the question at issue. I regard the advance as an appropriation of the general funds of Government for a presumed beneficial public purpose; but the arrangement being viewed with disapprobation, on political grounds, by the Governor-General and the majority of the Board, I should not imagine any further reference to the Law Officers necessary.

Fort William,
14th July 1820.

(Signed) J. ADAM.

GOVERNOR-

GOVERNOR-GENERAL'S MINUTE.

Bengal Political Consultations, 15 July 1820.

Governor General's Minute, 14 July 1820.

The sole substitute proposed by Mr. Stuart and Mr. Adam for the loan contemplated by the Nizam's Minister, is one which (my own judgment being fortified by professional opinion), I must consider as entirely inadmissible. Those gentlemen endeavour to maintain, that the loan of sixty lacs to the Nizam would not be taken from surplus, but would come out of the current receipts; and they attempt to assimilate it with those moderate advances which we are in the habit of occasionally making for political purposes. With sincere respect for their sentiments, I must think they have overlooked an obvious difference. In the case of petty advances, if they fail to be repaid in the course of the year, they do not seriously affect the state of the account: but the abstraction of sixty lacs (professedly not to be returned for a considerable period) from the revenue, would, at the close of the year, exhibit a deficiency in the provision for the investment, which would exact replacement from the cash balance; so that it would be precisely the same thing as if the sum were taken at once from consolidated surplus. Mr. Stuart asks, what is there in the statute which forbids our borrowing the sum in question, in order to lend it to the Nizam? I apprehend the framers of the statute never thought it necessary to proscribe specially, that which would be a manifest perversion of our powers, already included within the general description of misconduct declared to be visitable by Parliamentary chastisement.

As the matter now stands, I am in a dilemma. Either I must abandon the principle which I at the outset adopted, of non-interference, or I must leave Rajah Chandoo Loll to feel himself deserted in the first hazardous step taken by him, through compliance with the instigation of this Government. His now forbearing to carry into effect those reductions which he had announced, would be a triumph to his powerful adversaries, of such mischievous consequence, that I should be hopeless of bringing about any reform in the Nizam's administration, unless by measures, on our part, bearing an odious character of violence. I cannot hesitate in my choice. I must retract my profession, acknowledging that I was wrong, in ever letting a personal consideration induce me to withdraw myself from any part of my public duty.

Joining myself in opinion with Mr. Fendall, I decide upon giving to the loan that degree of countenance, which alone has been solicited by the house of William Palmer and Co., and recommended by the Resident.

Fort William,
14th July 1820.

(Signed) HASTINGS.

Ordered, That, in conformity with the opinion of the majority of the Board, the following letter be addressed to the Resident at Hyderabad.

To H. Russell, Esq., Resident at Hyderabad.

Letter from Secretary to Government.

Sir:

1. I have the honour to acknowledge the receipt of your despatch of May 19th.

2. The Governor-General in Council authorizes you to sanction the loan of 60,00,000 rupees, which the Nizam's Government proposes to obtain from the house of William Palmer and Co.

3. The terms of the loan are not mentioned in your despatch; but his Lordship understands, that an assignment of sixteen lacs of rupees per annum will discharge the interest and pay off the principal within six years.

4. His Lordship is very happy to observe, that this measure will enable the Nizam's Government to effect a reduction of expense, to the extent immediately of nine lacs per annum, and eventually of twenty-five.

I have, &c.

Fort-William,
15th July 1820.

(Signed) C. T. METCALFE,
Secretary to Government.

EXTRACT

Bengal Secret Consultations, 30 Sept. 1820.

Letter from Resident at Hyderabad.

EXTRACT BENGAL SECRET CONSULTATIONS,

The 30th September 1820.

To his Excellency the Governor-General, &c. &c. &c.

My Lord:

I have deferred my Report of the measures adopted, under the authority conveyed to me in the Secretary's despatch of the 22d January last, until the arrangements which have been for some time in progress were brought to a determinate result.

2. As it was the mode of administering the system of internal Government, and not the system itself, that required to be changed, the removal of bad Talookdars, and the appointment of good ones in their room, necessarily constituted one of the first objects of attention. The present season is the close of the revenue year, at which period alone the change can be conveniently made; and I hope that the extent and character of the measures which this report will embrace, will satisfy your Lordship that the Nizam's Minister has not been remiss in the discharge of the duty he has undertaken.

3. In a case where much depended on impression, it was important that the first measures should be signal and decisive. Ruffat-ool Moolk had become notorious for mismanagement and oppression, and a collusion between his subordinate officers and the gangs of robbers by which his districts were infested having been clearly established by the result of Captain Jones' expedition, reported in my despatch to the Secretary dated the 18th June last, he was dismissed from his employment, deprived of his troops, and of the jagheers which he held for their support, and made responsible in his personal property for the acts of injustice committed by him against the inhabitants of his district. A very judicious distribution has been made of the country in his charge. The district of Nirmul, which is situated on the Godavery, on the high road to Nagpore, has been entrusted to Rao Boochur Mull, who served with great credit through the whole of the late war, as commandant of a resalah of the reformed horse. Moodhul Binala and Bysa have been given to Rao Nanèck Ram, already Talookdar of Maiduck and Balcoonda. To Kundar Surbar, Digloor Wurwall, and Kowlass Rajah, Shee Penshaud has been appointed. Naudair, which is on the Godavery, on the high road to Bassum and Ellichpoor, has been placed in charge of Kurroo Newauz Khan, an officer of credit and respectability, and of tried attachment to the British government. Rajoora, which is on the Jaulna road, Pallam, Awbajagee, and Dhokagee, which is contiguous to our own district of Ahmednuggur, have been given to Nizam Year Jung, a near relation of the late Meer Allum. A person of the name of Sreeve Wass Inkajee has been appointed to Bhokur; and the district of Nilunga has been given to Sayed Akil Khan, the oldest surviving son of the late Bhyram-ool Moolk.

4. In point of family and connections, and in the magnitude of his charge, Ruffat-ool Moolk was certainly the most important; and, until of late years, he had generally been considered as one of the most respectable of all the public officers of the Nizam's Government. The districts held by him paid last year upwards of twenty lacs of rupees to the Government, and extended in a continued line from a point beyond Nimaul, not far from the Nizam's eastern frontier, completely across to the western boundary, in the direction of Ahmednuggur. His conduct would certainly have justified a more severe punishment than that which has been inflicted on him; but enough having been done, both to relieve the country and serve the purpose of example, I did not think it necessary to urge the Minister to the adoption of a more rigorous procedure.

5. The districts held by Shums-ool Omrah for the support of the Paigah troops, estimated to produce near thirty lacs of rupees a year, have probably been of late the worst managed part of the Nizam's territory. Shums-ool Omrah is married to a sister of the present Nizam, and, on account of his father's services, was particularly distinguished on all occasions by the late Nizam, who, in consequence of his youth and the weakness of his character, appointed

Bengal Secret Consultations, 30 Sep. 1820.

Letter from Resident at Hyderabad.

appointed Rajah Ragotim Row to be his Peishcar, with authority to superintend his troops and manage the country assigned to him. Ragotim Row, on his removal from office in 1804, was succeeded by Rajah Chundoo Loll, who, about four years ago, imprudently complied with the importunities of Shums ool Omrah, and delivered the country and troops into his exclusive management. The consequence has been, that the country has been seriously injured, and the troops allowed to fall most heavily into arrear. Shums-ool Omrah having, with an avarice unusual at his early age, hoarded up almost the whole of the money extorted by his rapacity from the districts, Rajah Chundoo Loll had considerable difficulty in effecting the resumption of this tract. Fortunately Shums-ool Omrah referred to me for advice; and, after some discussion, I was able to satisfy him of the imprudence and inutility of resisting the Minister's requisition. The attempt to procure for his troops and creditors any portion of the money he had hoarded, would have been fruitless; at all events, it would have involved the adoption of measures which the Minister alone would have been unable to accomplish, and in which your Lordship would not have sanctioned my interference, to the extent which would have been necessary to render it efficacious. As it is, Shums-ool Omrah is largely indebted to Rajah Chundoo Loll, for advances made at different times out of his own funds to the Paigah troops; and, including interest, the debt, if the Minister could have recovered it, would have materially contributed to relieve him from his embarrassments.

6 The Minister has divided the whole of the Paigah lands into seven distinct portions, and has appointed an officer of his own immediate selection to the separate charge of each.

7. Among the principal officers whom it has been found necessary to remove from their situations, I am sorry to be obliged to mention the Minister's own brother, Rajah Govind Buksh. He was at Hyderabad at the time I was authorized by your Lordship to exert my influence for the improvement of the Nizam's affairs: and so much was said to him, both by the Minister and by me, of the necessity of abstaining from the oppressive system which had been imputed to him, that I was in hopes he would have been induced to enter into our views, and adopt a new course of measures. It soon became evident, however, that these hopes were unfounded; and the Minister determined, with the view of saving appearances, that his brother should come to the capital, as on a visit after the rains, and should then continue to reside here altogether, retaining nominally the soubahdary of Aurungabad, of which the duties should be discharged by deputy. But some circumstances have lately come to the Minister's knowledge, which it would have been impossible for him to overlook, and into which it would have been very embarrassing to institute a formal inquiry: He has, therefore, resolved, as the only practicable alternative, to remove and recall Rajah Govind Buksh without delay, and an order to that effect has been despatched to him. I hope that he will obey it; but as it is not improbable that he may attempt evasion, I have desired Captain Canning, in that case, to acquaint him that he must abstain from all further communication with him, on the ground that he has been divested of those functions, out of which his intercourse with the public servants of our Government arose. It is the Minister's intention to take under his own immediate orders all those Talookdars on the western side of Berar who have hitherto acted under Rajah Govind Buksh. The new Subahdar, who will be chosen from among the persons of rank at the capital, will reside here; and a very respectable person, of the name of Cossim Ally Khan, a relation of the King of Oude, who came here from Hindoostan about eight years ago, and did great justice to an appointment in Berar, which he held during the late war, is to be appointed Naib, and will conduct the various local duties at Aurungabad.

8. At Ellichpoor a relation of the Minister, named Rao Rajah Ram, who, as Naib Subahdar, had charge of the Eastern portion of Berar, has also been removed from his office. Salabut Khan is to be appointed Subahdar, and the pergunnah of Ellichpoor, of which the annual revenue is estimated at near three lacs of rupees, is to be made over to him: one lac to constitute the addition to his jagheer, and the remainder to be collected by him on the part of the Government. The districts of Wow and Maneekghur, which lie along the right bank

Bengal Secret Consultatations, 30 Sep. 1820.

Letter from Resident at Hyderabad.

of the Wurda, have been placed in charge of a person named Jowalla Pershaud, who served for some years as a Tehsildar in our own district of Furruckabad, and who has lately been employed under the Commissioner at Poona, in the settlement of a portion of Candeish. These districts were formerly of much importance, on account of the cotton which was produced in them, and which constituted so valuable an article of traffic as to bear even the expense of land carriage from Omrautty to Mirzapoor, from whence it was sent down the river to Calcutta; and I am the more sanguine of their speedy restoration, from the knowledge that a considerable capital is likely to be employed in advances for the cultivation of the cotton, which, under the facilities afforded by other arrangements, may now be conveyed down the Wurda and Godavery to be shipped at Coringa, the expense of land carriage being thus entirely avoided.

9. Of the remaining districts resumed from the charge of Rao Rajah Ram, the Minister has appointed his own son, Rajah Bala Pershaud, to be Talookdar, the local duties being conducted by a very intelligent revenue officer of the name of Rao Vencat Row, whom the Minister has chosen as his son's deputy. In my original report to your Lordship on the subject of the condition of the Nizam's affairs, dated 24th November last, I enumerated the advantages with which I thought this particular arrangement would be attended. It has now been adopted by the Minister of his own accord, and is of itself, for the strongest of all reasons, a conclusive proof of the sincerity of his exertions to improve the country.

10. During the expedition against the Bheels, which was conducted a few months ago under the direction of Captain Briggs, serious complaints were made against two of the Talookdars in that part of the country in which the troops were employed, Anund Row of Sitoonda, and Moolook Chund of Jafferabad. Anund Row being charged with giving intelligence to the enemy, was sent by the Minister's orders to camp, to be tried for his life before a court martial; but the services having already been completed without the necessity of enforcing martial law, Captain Briggs interceded to stop the procedure. Moolook Chund's offence was of a less specific character; but complaints of violence and oppression having been numerous against him, he was ordered in custody to Hyderabad, and after an inquiry into his conduct, was dismissed from employment and publicly whipped through the streets of the city; his property being seized to satisfy, as far as it would go, the demands of those who had suffered from his exactions.

11. Shakir Khan, and the other members of the Lohanee family, who did hold extensive districts as Talookdars, and commanded one of the largest bodies of troops in the Nizam's army, have been dismissed from all their employments and deprived of their jagheers, in consequence of their general misconduct, and the protection and encouragement proved to have been given by them to gangs of robbers. Noor-ool Omrah's district of Warungole has been transferred to Rao Naneck Ram; and the charge of those in Berar, held by Fyaz Ally Khan, son of the late Soobhan Khan, has been given to Mooad Ally and Rao Vencat Ram, officers of the Minister's own selection. A number of subordinate charges, of the same description, have been made; and not one of those Talookdars, who were known to be inefficient or oppressive in their individual conduct, has been suffered to remain in office.

12. An experiment has been made in that valuable tract of country which lies between Hyderabad, the Godavery, and our own frontier, on the side of Ellore and Masulipatam. Kona Row, the principal Zemindar, and Sirdessaye of the greater portion of that range; after being in open rebellion for upwards of thirty years, accepted a cowl and made his submission, on the reduction of his forts by Major Pitman in the beginning of last year. He has since resided principally at the capital, and has made a direct settlement with the Minister: the public Talookdars have been withdrawn, and the troops on both sides either recalled or discharged. The Minister is thus saved the expense of those with which he was obliged to enforce the authority of Government, and of those who fought on the side of the rebel. Many who were natives of the country, have returned to the cultivation of their lands. Kona Row gave each man thirty-three rupees when he discharged him, which was calculated to provide

provide him with a pair of bullocks and a plough, with grain for seed, and to support him for five months until the season of harvest.

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13. As Kona Row did not submit, or rather as the sincerity of his submission was not relied upon, until he had experienced the impracticability of resisting the Nizam's regular troops, there is every reason to believe that he will now continue stedfast in his obedience. On one hand, he knows from me that as long as he behaves well, he will be protected against the exactions of the Government; and, on the other, he is aware that if he behaves ill, the same troops which have reduced him once, are ready to reduce him again. The only thing to be apprehended is, that his habits of extravagance, which I have in vain endeavoured to correct, may involve him in embarrassments, and either throw him into arrear with the Government, or tempt him to make exactions in his districts.

14. If this experiment should ultimately prove successful, the Minister will probably be encouraged to extend the principle of it in the Nizam's Telinga districts, to which, in this part of India, the office of Zemindar is principally confined. Under the ancient Hindoo princes, the Zemindars were, without doubt, collectors of the revenue appointed by the Government; and the subsequent introduction of Talookdars by the Mahomedans has ejected them from their original function, and broken the immediate tie which bound them to the Government, without at all impairing their influence with the people, derived from long hereditary descent, from community of country, habits, language, and religion, and in most cases, of community of interests. In Telingana, the Talookdar is little more than an intermediate officer between the Government and the Zemindars, by whom the right and interests of the people are represented. When the Talookdar persists in enforcing a settlement which the people think unjust, their cause is espoused by the Zemindar, who, if strong, resists, and if weak, retires to some other district, from which he either disturbs the Talookdar with incursions, or persuades the people to abstain from cultivating their lands. Against a small Talookdar this system is generally successful: He finds his authority universally contemned, and is unable to collect any revenue, until he compounds with his rebellious or fugitive Zemindars. With those of greater power and resources the result is often different. The Zemindars are frequently engaged in petty warfare among themselves. A Talookdar of a large district, who has several of them within his limits, contrives to set one against the other, and by his command of troops and money, generally effects the reduction of those who are the most formidable to him.

15. This was the case, in a remarkable degree, with Ruffat-ool Moolk. Most of his Zemindars and principal landed proprietors were driven into resistance, and having failed, were seized and confined. Near thirty prisoners of this description were set at liberty by the Minister, and restored to their rights, on his removal from his districts. This violence, however, is confined to the person of the individual. Where we sell an estate, the Nizam's officer seizes the proprietor; but his land and his rights continue in his family. Changes of property are unknown in this part of the country, to the extent in which they occur in our territory. Amidst all the outrages and oppression of the very worst Talookdars, a strong regard prevails for ancient hereditary claims. This feeling seems to prevail in the Deccan, in even a stronger degree than in Hindoostan. "Peeree der peeree," from generation to generation, is the first expression in the mouth of a claimant in advocating his rights. The convulsions and changes of Government which have taken place during the last century, have produced little effect on the state of landed property: a title is not much valued which is less than a hundred years old. Of the sunnuds which I have seen produced in support of claims to estates, whether of land or office, the greater number are either of Aurungzebe, or the latter kings of the dynasty which immediately preceded his conquest.

16. In such a condition of things between the Talookdars and Zemindars, it would be surprising if the country were not in a state of tumult and disorder. There is neither confidence on the one side, nor security on the other. The feelings of both parties are exasperated, and in the confusion of complaint and recrimination, it is difficult to discover by whom the first act of provocation

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tion was committed. The Minister, though a Hindoo, is of an extraction foreign to this part of India, and is partial to the Mahomedan system of Hindoostan, in which he was educated. He has a predilection, therefore, for the office of Talookdar, and it can only be by the practical success of the measure, if it should prove successful, that he will be reconciled to the system of considering the Zemindars as the immediate officers of Government, and entrusting them, where they are otherwise competent to the duty, with the local authority of their districts.

17. The selection of new officers appears to have been made with great propriety. They are all men of reputation. Rae Bhoochur Mull, though latterly employed in a military capacity, was bred in the revenue department: he has, of himself, drawn up and promulgated in his district a very sensible code of local regulations. Rao Naneck Ram is one of the ablest and most opulent of the old Talookdars, and the one who has shewn, perhaps, the clearest conception of our views, and the greatest alacrity in adopting them. Of Rao Vencat Ram, Captain Seyer says, in his answer to my letter notifying his appointment, "He was formerly here; he bears a most excellent character, "and is universally extolled by the Ryots for his justice and moderation."

18. The Minister's anxiety to promote a just and salutary system of government, and his determination to punish signally every instance of violence and oppression, have been distinctly explained to the different Talookdars, who were all summoned to the capital for that purpose; and, in addition to the ordinary engagements entered into on such occasions, they have all been required to execute a separate instrument to the following effect:

19. "The pergunna of ....., in the circur of ....., in the soubah of "....., having been entrusted to my charge, I hereby engage to encourage "the population of the district, to adhere to all my engagements, and to "abstain from any undue exaction of any kind whatever. I will promote "the cultivation of lands which are either waste or deserted. I will suppress "robbery and depredation, and will be responsible to seize all disturbers of "the public peace, either in the villages or on the high roads, and to deal "with them according to such orders as I may receive from the Government. "I will not practise any injustice or oppression towards the inhabitants, nor "will I levy moosadira, juremana, or furoee, from any person whatever. I "will not inflict capital punishment upon any criminal, without the express "sanction of government; and I will make regular reports of all persons who "may be in confinement in my district, specifying the several offences of "which they have been guilty."

20. The terms "moosadira, juremana, and furoee," are used to designate any fines or extraordinary assessments which are levied to meet occasional emergencies, or supply deficiencies in the stipulated revenue. The practice of making one inhabitant of a village responsible for the failure of his neighbour, is an original feature in the Ryotwar system, and is, I believe, recognized and adopted in our own revenue regulations; but under a Native Government, such as those of the present day, it constitutes perhaps the most extensive and most grievous oppression under which the people suffer. No check would be sufficient to restrain within reasonable bounds the exercise of an authority, by which a collector, and still more a farmer of the revenue, was suffered, at his own discretion, to repair an alleged, or even a real deficiency, by the indiscriminate confiscation of any property within his reach.

21. In almost every instance, the districts have been given in amanee instead of ijara, which had previously been for many years the invariable practice of the Nizam's Government: That is to say, the Talookdars are now merely collectors, instead of farmers of the revenue. The great advantage of this change is, that it destroys the immediate inducement which a Talookdar formerly had to practice extortion in his district, and gives him, on the contrary, a direct interest in its prosperity. There are cases, however, which form an exception to this rule, as in the instances of Kona Row and Rao Naneck Ram, where either the Talookdar, from his hereditary circumstances, has a lasting interest in the prosperity of the country, which would be defeated by occasional exaction, or where he has a command of capital, which, as an officer merely

merely temporary and ministerial, it would not be worth his while to lay out in the improvements of his district.

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22. The Minister has also agreed to abolish henceforward the practice of levying the nuzzerana, which was formerly required from every Talookdar on his appointment to a district. This, if it seemed to fall heavily on the Talookdar, fell, in reality, still more heavily on the people, who were ultimately obliged to make good the amount, by submitting to exactions in addition to the assessment, already greater than the resources of the country could afford.

23. The efficiency of the police under a native Indian power, depends more immediately upon that of the other branches of the executive Government, than under a state constituted upon European principles. Every district and village has its proper officers of police, varying in designation and sometimes in the distribution of their functions, but all of them holding their office by hereditary tenure, and responsible in their property, as well as their persons, for the efficient discharge of their duty. Where the Government is just, and strong, and vigilant, the efficacy of this local police is certainly superior to that of any artificial system less intimately connected with the habits and opinions of the people; but the weakness, or negligence, and sometimes the injustice of the Government, converts those who ought to be the guardians into disturbers of the public peace. This was the origin of the disorders in those parts of the Nizam's country which have been most infested by robbers. The persons who were apprehended by Captain Jones on his late expedition, and almost all the other leaders of gangs, who have been seized during the last twelve months, have proved to be the persons whose special duty it was to preserve the peace of their districts. In some instances, it has been found absolutely necessary to make an example, by inflicting capital punishment, and in others, to retain the offenders in confinement; but the general course which the Minister has pursued is to restore the individuals to the enjoyment of their hereditary rights, taking security for the future fulfilment of their duty; and your Lordship will observe, that in the instrument executed by the Talookdars, the suppression of robbery forms one of the express conditions.

24. Among other obligations imposed on the hereditary officers of police, is that of making good the value of any property stolen within their range, unless they can satisfactorily trace the thieves into the limits of another village. During Meer Allum's administration, an arrangement was made, by which the Nizam's Government was to be responsible for all property stolen from persons who travelled without a guard, and who, on that account, were held to be under the immediate protection of the local officers. Persons travelling with a guard were supposed to be able to protect their own property, and therefore were not considered to be entitled to remuneration in the event of theft or robbery. This rule, however, I have found it necessary to prevail on the Minister to abrogate. Against robbery attempted by open violence, a guard generally affords adequate security; but the utmost vigilance of a sentry is constantly eluded by the dexterity of practised thieves. It has now, therefore, been agreed that the Talookdar of every district shall be answerable for his own police, and shall make good the value of any property stolen within his limits; except when the peculiar circumstances of an individual case shall be such as fairly to discharge him of the responsibility.

25. This rule is now in force, and has been acted upon in all recent instances. Combined with the other arrangements which have been made for improving the local management of the country, I have little doubt that, under ordinary circumstances, it will be found efficacious. In some districts, however, where large gangs of banditti have assembled, and acquired a strength beyond the reach of the local officers, the employment of a military force is indispensably necessary. This, since the war, has been peculiarly the case in the districts bordering on the Poona and Nagpore territories, where the changes of Government and dissolution of armies have thrown loose upon society large numbers of persons of turbulent character, accustomed to license of all description, and of habits foreign to every occupation of peace and industry. The districts on the Wurda have already been cleared of a numerous banditti of this kind, by a party of the reformed horse under Captain Hollis; and a similar detach-

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ment, under Lieutenant Sutherland, is now employed in that tract called Balaghaut, which stretches along our own frontier in the direction of Ahmednuggur and Sholapoor. A proclamation has been issued to assist the operations of this detachment, and the officer commanding it has been instructed by the Minister to apprehend and send in custody to the capital, any of the local officers, against whom a collusion with the banditti may be established.

26. A murder having lately been committed, under circumstances of peculiar atrocity, by one of the leaders of a tribe of Patans residing in the town of Cawderabad, immediately contiguous to our cantonment at Jaulna, the Minister directed that the criminal should be executed in front of the house in which the murder was perpetrated; that four persons who were suspected of being accomplices in the crime should be placed for the present in confinement at Aurungabad, and that the remaining members of the family should be expelled from the Nizam's territory. The example was urgently required among a class whose numbers and character have rendered them hitherto an object of terror to all the local authorities; and even that part of the sentence relating to the expulsion of the family, much as it may militate against our notions, appears to me to have been indispensably necessary. Justice is inert when it does not protect the innocent as well as punish the guilty, and no witness would dare to come forward with evidence against a Patan, unless he knew he should be protected from the vengeance of the criminal's family. The sentence was carried into execution without any disturbance, on the 21st ultimo, by an officer specially deputed for the purpose from Aurungabad; and Colonel Scott says, in his report of the circumstances, "this decisive proceeding on the part of the "Minister appears to me extremely well suited to the circumstances of the "case, particularly when considered with reference to the moral and political "state of the people of Cawderabad, the vicinity of that place, and the con-"sequent influence of its manners upon the irregular followers of this camp."

27. The ordinary administration of justice is combined with the collection of the revenue in the person of the Talookdar, and is again delegated by him to his subordinate officers within the limits of their local authority. In extraordinary cases, a direct reference is made to the Government at the capital. The superintendance of this important duty the Minister has found it necessary to take, for a time at least, into his own immediate hands. In those cases where the Talookdars, or other public officers, are themselves parties, it is to his authority alone that an appeal could be efficacious.

28. All points relating to the Mahomedan law are referred to the principal Cauzee of the city. Complaints against Talookdars, or public officers of any description, are investigated before the minister himself; and questions of ordinary litigation are submitted to a new tribunal, which sits every day except Friday, in a public apartment allotted to it in his own house. At the head of the tribunal he has placed a Mahomedan, of the name of Shurfood deen Khan, who during Captain Sydenham's time was employed on the part of the Nizam's Government in transacting the current business with the Residency, and a Hindoo of the name of Teekaram, a native of Hindoostan, who has for several years been confidentially employed by the Minister. Both these persons are men of respectability and intelligence, and they have an establishment of public servants attached to them, to assist in conducting the details of investigation, to procure the attendance of witnesses, and enforce the execution of their decrees.

29. The proceedings before this tribunal are conducted without any expense to the parties: they are necessarily prompt and summary, and in those cases which I have had occasion to examine, I have found reason to be satisfied with its decisions. According to the ancient usage of the Nizam's courts, one-fourth of all property litigated in the Nizamut was levied on behalf of the Government. This practice has been abolished, and all fees, presents, and charges of every description, are peremptorily prohibited.

30. The surest mode of protecting the people from wrong, and restraining the local officers from injustice, is to give free access to complaints, and promptitude and facility to investigation. I make a point, therefore, of receiving and communicating to the Minister every petition that is offered to

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me. The number of those of every description that have in this way been forwarded through me within the last eight months amounts to 1,042.* The consequence is, that complaints are now brought in from all parts of the country, justice is to be had by calling for it, oppression can no longer be concealed, and the punishment and dismissal of some of the Talookdars have arisen out of the investigation of complaints preferred in this manner. In all cases which will admit of it, reference is encouraged to the punchayet, a method of trial which is the most congenial to the habits and opinions of the people, and which seems always to be most highly thought of by those who have had the best means of estimating its merits.

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31. I have never seen any reason to believe, that the customs and duties imposed in the Nizam's country on articles of traffic are injurious, either in their amount or in the mode of levying them. By our commercial treaty, all transit duties are abolished on the commodities of merchants trading either from our territory to the Nizam's, or from the Nizam's territory to ours, and a custom of five per cent., and no more, is levied at Hyderabad. The Nizam's own subjects, trading from one part of his territory to another, are expressly excluded from the operation of the treaty: in their case, therefore, the old transit duties, as well as the old rate of city customs, continue to be levied. Of these, however, the dealers do not complain; and although the transit duties seem inconvenient from their number and variety, every district, and even each principal village, having its own peculiar scale, the practice as it prevails has been so long established, and is so well understood by all those who alone are affected by it, that any change would be a measure rather of apparent than of real utility. I have, however, recommended the Minister to collect statements of all the miscellaneous duties payable in every district, and to prepare a summary of the whole, which will probably suggest some method of abridging and simplifying the present system.

32. Of grain brought to the capital from the districts between Maiduck and Nandair, an average distance of about a hundred and twenty miles, a candy, weighing 950 seers, and generally selling, if coarse, for about 68, and if fine, for about 144 rupees, pays altogether in transit duties about two rupees, and a city custom of rupees 5. 5. 3. On cloth, which is brought from the same part of the country, the transit duties, be the quality what it may, amount to about three rupees and a-half for each bullock load: the city custom is levied at the rate of eight and three-quarters per cent on the selling price. These two instances will serve to indicate the general scale of imposts, in which no alteration appears to have been made since 1794.

33. The duty on grain it might be desirable to abolish, though being common to all Native Governments it is not considered as a hardship by the people; and it has, I believe, been retained, even in our recent acquisitions from the Peshwa. Except in appearance, indeed, it makes little difference, whether a tax on the necessaries of life is levied by a direct or indirect process. All articles of consumption and supply required for the subsidiary force are exempted entirely from duty, and the same indulgence has been extended by the Nizam's Government to the bazars of its own regular and reformed troops. The necessary consequence of this partial exemption is a temptation to the dealers to smuggle commodities intended for other markets, under the pretext of their being designed for our bazar; and the attempts of the local officers to check this abuse often produce complaints of impediment and vexation. The exemption is not productive of any benefit to our own troops, at all commensurate with the injury it does to the Nizam's Government and subjects. The mention of this point has now occurred incidentally; but, in the progress of improvement, it will probably become hereafter a topic of deliberation. It would, in my opinion, be well worth the while of the Nizam's Government to make a fixed allowance, in addition to the pay of the troops employed in their territory, on condition of this exemption being abolished: the advantage to the

* In January ..... 132 | In April ..... 122 | In July 223
February ..... 86 | May ..... 121 | August 77
March ..... 168 | June ..... 113 |
1,042

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the troops, which is now precarious, would then be certain; and the facilities of supply would unquestionably be improved.

34. All transit duties are included in the collections of the districts in which they are levied, and it would be difficult, therefore, to ascertain the fluctuations in their amount. The produce of the city customs is undoubtedly much smaller than it was, but this change has not been occasioned by any aggravation of their rates: it has proceeded partly from the Minister's facility in granting indulgencies, but principally from a diminution of the demand for costly commodities, resulting from the decay of the Government, the extinction of many opulent families, and the influence of the peculiar habits of the Nizam on the manners of his court.

35. The money raised by the Minister on the loan, which has received your Lordship's sanction, has been very judiciously applied, and has already accomplished much of the purpose for which it was designed.

36. A reduction of useless establishments has been effected, to the annual extent of between twenty-two and twenty-three lacs of rupees, on a plan similar in principle, though varying in detail from that enclosed in my despatch to the Secretary, dated the 19th of May last. Among these reductions are included 305 horse and 500 foot on the Minister's own personal establishment, and 237 horse and 250 foot on that of his brother, Rajah Govind Buksh. All recruiting throughout the Nizam's army has been suspended, except in the regular and reformed troops, which are to be kept up at their full strength. The reductions which have hitherto been made have not, I believe, thrown any industrious or deserving individuals out of employ; and, by careful and gradual revision, they may undoubtedly be prosecuted to a much larger extent. The annual expense of the Nizam's troops of every description, except Sibendies, was rated five years ago at near two crores and a-half of rupees: it ought, in my opinion, to be reduced within one crore. The annual charge of the regular and reformed troops may be computed at thirty-six lacs, not including the establishment of Salabut Khan, which is maintained by a jagheer estimated at fourteen lacs of rupees.

37. Advances have been made in all the different districts: and the Minister being relieved from his most urgent embarrassments, has been enabled to allow large remissions in the revenue, without which it would have been utterly impracticable, by any measures, to revive the prosperity of the country. Of the twenty lacs of rupees paid last year by Ruffat-ool Moolk's districts, the Minister does not calculate, under the system of amaunee which has now been introduced into them, to realize above fifteen lacs this year. From Shums-ool Omrah's districts, which did yield about twenty-five lacks, he will not, perhaps, collect more than seventeen or eighteen.

38. After the measures which Rajah Chundoo Loll has already adopted, and the course he has pursued towards some of the most powerful persons in the state, including even his own brother, it can no longer be a question, whether he is cordially disposed to promote your Lordship's views for correcting the abuses in the Nizam's affairs and ameliorating the condition of his country. But be his disposition what it might, it would have been impossible for him to act with either confidence or effect, without our encouragement and support. The evils he had to remove were not of common magnitude or recent origin: they were the result of remote causes, and had become inveterate from long standing. When I first travelled through the Nizam's country, upwards of twenty years ago, it was in a condition not substantially better than it is now; and my predecessor, Captain Sydenham, in his last despatch to the Earl of Minto, dated the 29th of May 1810, only a few months after Rajah Chundoo Loll came into his present office, expressed his opinion on the subject in these strong terms:

39. "With regard to the amelioration of the state of this country, I am "convinced that during the reign of the present Nizam no improvement can "be expected, without the administration of the country be placed under the "control of the Resident. The defects of the present Government are too "deeply rooted, and too widely extended, to admit of any partial reform; "and

" and it is therefore unfortunate, that the only effectual remedy that can be " applied, should be so much at variance with our views and policy."

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40. The Minister, therefore, has had, and still has, to contend against all the disadvantages arising from the peculiarity of the Nizam's character, as well as to encounter at every step the active opposition, not only of the individuals, who having an immediate interest in the maintenance of abuses, are now suffering from their correction, but that of the whole faction associated with Mooneer-ool Moolk, who are personally and politically opposed to his administration. In this quarter, every possible effort has been made, and will continue to be made, to counteract his measures, by resistance, and intrigue, and misrepresentation.

41. I have already reported to your Lordship, that I had announced to the Nizam your consent to the recal of his sons from Golconda, and that his Highness had received the communication with strong marks of satisfaction. No measures, however, have yet been taken for their actual release. Of this it is not easy to assign the reason; but it has probably proceeded from one of two causes: either the Nizam may apprehend a design to make any future instance of misconduct on the part of his son a pretext for hostile proceedings against himself, or he may be indifferent to their confinement, now that the continuance of it has become voluntary with himself, instead of being forced upon him by a foreign power. It is a curious contradiction, that the Minister and the Chandnee Begum should be engaged, and as yet without success, in importuning the Nizam to the adoption of the very measure which has hitherto been the object of his own most anxious solicitude. The proposal has been productive of as much benefit, however, as if the princes had been actually released. The Nizam has been conciliated, as far as his nature is susceptible of conciliation; and although he has not given Rajah Chundoo Loll any active assistance, he has rejected every attempt to engage him in measures of resistance, and has treated the Rajah personally with an unusual degree of kindness.

42. It cannot be expected that the full practical effect of any extensive system should become immediately apparent. The process of correction and improvement is gradual in its nature. There are already, however, manifest proofs of a salutary impression having been made upon persons in authority, and of the people having acquired a confidence which they did not before feel in the disposition of their rulers. The following passage in a letter from Captain Seyer shews that the Minister's decisive measures have produced their effect, even at places the most remote from the capital. The character given in it of the person who has been dismissed from the chief authority at Ellichpoor, is applicable to a large portion of the Nizam's local officers. " I am " glad to find the Minister has taken such decided steps regarding Ruffat-ool " Moolk: he was proverbially infamous for his tyranny and oppression. Sala- " but Khan mentioned to me what had befallen him, in a way that shewed the " example was not lost on him. Rajah Ram's recall to Hyderabad will be " extremely useful. He is weak, vain, and ostentatious; rapacious, not out of " the love of money, but merely to supply his profusion; perfectly indifferent " to the welfare of the people committed to his charge; easily led, but unfor- " tunately surrounded by bad advisers. I have never found him at all un- " willing to attend to my suggestions; and the particular instances of mis- " conduct in his officers, or in himself, which I have brought under his notice, " have generally been redressed: but his constant want of money forces him " into the practice of all sorts of means to procure it, and he will perhaps meet " a demand for restitution to one man, by adopting similar violence to that " complained of to another."

43. Of the officers who have been recently appointed to the charge of districts, some had invariably refused to take employment under the old system. The most of them referred to me for advice when the new situations were offered to them, and I was glad of the opportunity of explaining your Lordship's views, and promising them support and assistance in every measure directed to the amelioration of their districts. They would not have accepted office, if they had not been satisfied that the objections which existed before

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had been effectually removed, and that the functions of a Talookdar could now be exercised, without involving him in acts of violence and injustice.

44. The operations of the Begary system necessarily reduced the villages on the high roads to a worse state than those of any other part of the country; but the officers commanding the different detachments all report, that they are manifestly improving in industry and population, and I have not conversed with a single traveller, whose opinion is entitled to respect, that has not remarked a decided difference in the condition of the country between the last and present year. The officer commanding on the Nagpore road, which, until the employment of Captain Hollis' detachment and the removal of Ruffat-ool Moolk, was the most distracted part of the Nizam's territory, makes the following report, in a letter dated 5th ultimo:

45. "I have the honour of reporting, for the information of the officer "commanding the Hyderabad subsidiary force, that I have arrived this day at "the limits of my command, and am happy to inform you that in a long range "of 227 miles, there has been only one complaint, and not a single robbery "or outrage committed. The great increase of inhabitants and cultivation, "clearly proves that a faith and dependence on the orders of Government "pervade every class of people, and the supplies from the villages are fur-"nished, to the best of their means, with the greatest alacrity. The lower "class of people seem cheerfully to act as begaries; as the pittance they "receive is perfectly competent, not only for the support of life, but likewise "for a few of its comforts."

46. Colonel Scott has reported, since his arrival at Jaulna, that the increase of cultivation has been so great, as to require the adoption of measures to prevent its encroaching on the proper limits of the cantonment; and out of the twenty-two divisions of the district of Elgundel which have been given to Kona Row, it appears that in the only twelve from which actual returns have yet been received, the number of ploughs at work this year is more than double the whole number of the last. There were last year 2,380 ploughs, and there are this year 5,170; giving an increase, in one season, of 2,790 ploughs.

47. I have the honour to submit to your Lordship a copy of a letter which I wrote to Captain Canning, on his taking charge of the agency at Aurungabad, desiring him to give his assistance to the measures which the Minister had put in action for improving that portion of the Nizam's territory. As a part of those measures, the Minister has provided a similar tribunal for the administration of justice at Aurungabad, to that which had been established at the capital; and had appointed two respectable persons, one of either religion, to preside in it. But Rajah Govind Buksh, in his usual spirit, resisted the arrangement as an invasion of his legitimate authority, thus affording an additional proof, if any were wanting, that no effectual amelioration could be accomplished in that part of the country without his removal.

48. I have confined my advice to the Minister, on every occasion, to the correction of abuses, and have been careful to avoid recommending any measure in the shape of innovation. We have not done justice, in our own system, to the original institutions of the country. As strangers, we are hasty in condemning what we do not understand; and have often defeated our good intentions, by establishing our own arbitrary rules and methods, to the exclusion of those which have grown out of the circumstances of the people, and are inseparably blended with their manners and their opinions.

I have, &c.

Hyderabad, 1st September 1820.

(Signed) H. Russell, Resident.

Letter from Resident at Hyderabad.

To Captain Canning, Political Agent at Aurungabad.

Sir:

1. I have had the honour to receive your letter of the 28th ultimo, reporting your arrival at Aurungabad.

2. The Supreme Government having been pleased to approve of a plan which I submitted to them for the correction of abuses in the administration of the

the Nizam's affairs, and to authorize the employment of my influence and advice for that purpose, I take the earliest opportunity to call your attention to that important object, and to avail myself of your assistance.

3. There are two points to which I wished you particularly to attend: the prevention of exaction on the part of the managers of districts, and the redress of individual grievances.

4. For the former purpose, the Minister having removed such of the local officers under his immediate authority as had been guilty of rapacity and oppression, has required all the Talookdars now acting under him to execute an engagement, of which the enclosed is a copy. The Talookdars appointed by Rajah Govind Buksh should all be required to execute a similar engagement; and I trust to your vigilance, to bring forward any instances in which they may be guilty of violating its provisions.

5. The maintenance of an efficient police throughout the country depends exclusively upon the Talookdars, and you will see that the suppression of robbers and plunderers forms an article of their new engagement with the Government.

6. For the prompt and impartial administration of justice, the Minister has appointed two officers, one a Mahomedan and the other a Hindoo, to preside over a tribunal, which sits every day in an apartment of his house. All petitions and complaints are referred to them, investigated without any charge to the parties, and the decision enforced by an establishment of public servants provided for the purpose. All questions depending on the Mahomedan law are referred for decision to the principal Cauzy of the city, to whom also an establishment of public servants has been attached.

7. In order to effect the same purpose at Aurungabad, two officers, of a similar description, will be immediately appointed from the capital. They will receive detailed instructions from the Minister, and will be directed to make their reports directly to him. You will be pleased to recommend to Rajah Govind Buksh the adoption of such measures as may be necessary to give weight and effect to their authority. He should be advised to refer to them for decision all petitions and complaints which may be presented to him; and you will also send to the Rajah, for the same purpose, all such petitions as may be presented to yourself. Means should be taken to give general publicity to this arrangement, and to prevent the exertion of any undue influence from any quarter or motive whatever.

8. I instance these two particulars, as being susceptible of the easiest and most immediate correction. But I wish you to give your attention to the subject of reform in all its various branches, and to interpose your advice, whenever an occasion may arise for preventing or punishing injustice.

9. You will have heard from Captain Parker, that a person of the name of Munsaram, who was lately detected in an act of extortion at Aurungabad, has been compelled to make restitution, and been ordered in confinement to the capital. I have given the Minister a list of persons in authority there, whose proceedings are described to have been generally oppressive and injurious, and he has directed them all to be removed and recalled.

10. The Minister is also sending a confidential servant of his own, to whom he has explained his plans and intentions, and who will assist Rajah Govind Buksh while he remains at Aurungabad, and superintend the business of Government whenever he may be absent.

11. Major Pitman, who has just returned to Aurungabad, has had access to all the correspondence which has passed on the subject of this letter. He is thoroughly acquainted with my views and arrangements; and having seen the whole detail of the measures which have been adopted by the Minister, at my recommendation, he will be able to communicate to you personally a great deal of valuable information, and to give you a particular account of the principles on which the system of reform has been established at the capital.

12. In

Bengal Secret Consultations 30 Sep. 1820.

12. In such an undertaking as the present, complete success cannot be immediately expected; but the prevalence of good principles will be gradually confirmed, and I am persuaded that your vigilance and application will in the end be productive of the most beneficial consequences.

I have, &c.

Hyderabad, 13th July 1820. (Signed) H. Russell, Resident.

EXTRACT BENGAL POLITICAL CONSULTATIONS,

The 16th December, 1820.

Read letter from the Honourable the Court of Directors, dated 24th May 1820.

The following minutes of the Governor-General and the Members of the Board are ordered to be here recorded.

GOVERNOR-GENERAL'S MINUTE.

Bengal Political Consultations, 16 Dec. 1820.

Governor General's Minute, 22 Nov. 1820.

In reference to the Court's orders, transmitted in the letter of the 24th May, I propose that the Resident at Hyderabad be immediately instructed to refuse his sanction to any further pecuniary engagement, on the part of Messrs. William Palmer and Co., with the Nizam individually, or with his Highness' Government.

I likewise propose, that the Resident be directed to impart the tenor of this instruction privately to the house, in such manner as that no misconception may be created, which could injuriously affect their credit: Moreover, I wish that he be ordered to inhibit their making, or meeting, henceforth any overture for a pecuniary transaction with the Nizam or his Government; adding, that any attempt of theirs in contravention of this notice, will be proceeded against as a heavy offence. Messrs. William Palmer and Co. should be required to acknowledge, in writing, their receipt of that communication, and their understanding that it cancels the license dated the 23d July 1816, as to any future purpose.

Fort William, 22d November 1820. (Signed) Hastings.

MR. STUART'S MINUTE.

Mr. Stuart's Minute, 2 Dec. 1820.

I have had the honour to peruse the Most Noble the Governor-General's minute, dated 22d ultimo, upon the subject of the orders from the Honourable Court of Directors, dated 24th May last, respecting the house of Messrs. William Palmer and Co., established at Hyderabad; also the draft of an answer to the Court's letter, proposed by his Lordship.

From the opinions relative to the pecuniary transactions of the house of Messrs. William Palmer and Co. with the Nizam's Government, which I have already placed upon record, the Board will infer, that I cannot do myself the honour of assenting to the views of those transactions which the proposed answer comprizes.

The full and explicit manner in which I have stated my sentiments with regard to these transactions on former occasions, renders it unnecessary, at this time, to renew the discussion.

The instructions which his Lordship suggests should be issued to the Resident at Hyderabad, appear to provide sufficiently for one point of the Court's orders, to wit, the revocation of the license granted by this Government to the house of Messrs. William Palmer and Co.

But the Court's letter embraces the following further instructions: "We "think it necessary to add, that if any discussion shall at any time arise "between the Nizam's Government and the house of Messrs. William Palmer "and Co., respecting any pecuniary transactions which may have taken place "between them, you are hereby positively prohibited from interposing, in any "way whatever, the name, authority, influence, or good offices of any sort of "the British Government, for the furtherance of any demands which these "gentlemen may bring forward."

Messrs.

Messrs. Palmer and Co. have uniformly declared, that they could not venture to engage with a Government like that of Hyderabad, unless assured of the countenance and support of the British Government. In approving the arrangements proposed by the house, accompanied with such a declaration, this Government has pledged itself to sanction the required support: the instructions, therefore, which I have cited from the Court's letter, could not reasonably, or equitably, be enforced, without relieving the house from its engagements with the Nizam's Government.

Bengal Political Consultations, 16 Dec. 1820.

Mr. Stuart's Minute, 2 Dec. 1880.

That, indeed, is the course which my judgment would have directed, as fit to be pursued for the enforcement of the Court's orders; but as the measures which I should have deemed proper, in following that course, have, on a former occasion, encountered a decisive negative from his Lordship and the majority of the Board, I abstain from urging the proposition.

Fort-William,
2d December, 1820.

(Signed) JAS. STUART.

MR. ADAM'S MINUTE.

The recent discussions on the subject of loans from the house of William Palmer and Co. to the Nizam's Government, and the distinct opinion I have recorded on the subject, absolve me from the unpleasant necessity of entering, on the present occasion, into a detailed statement of the grounds on which I am compelled to entertain a view of the question essentially different from that of his Excellency the Governor-General.

Mr. Adam's Minute, 4 Dec. 1820.

His Lordship's proposition provides fully for the execution of the orders of the Honourable the Court of Directors, conveyed in their dispatch of the 24th May last, as far as regards the future; but I apprehend that it does not meet the full intent of those orders. I am sensible, at the same time, that after the sanction given by the Government to the transactions of the house of William Palmer and Co. with the Government of the Nizam, those orders could not be carried into complete effect, consistently with good faith, unless the house were to be secured against the consequences of the act. The mode in which I conceive that may be done, will be seen in the minutes to which I have already referred. My opinion remains unaltered, and the adoption of the plan there recommended would, in my apprehension, remove every obstacle to the fulfilment of the Court's orders; but as it has, on consideration, been negatived by the majority of the Board, my deference for that decision prevents me from pressing it on their attention on the present occasion.

Fort-William,
4th December 1820.

(Signed) J. ADAM.

MR. FENDALL'S MINUTE.

I have had the honour to peruse the minute of the Most Noble the Governor-General, relative to the orders of the Honourable Court, under date the 24th May last, upon the pecuniary transactions between the house of Messrs. William Palmer and Co. with the Minister of Hyderabad; also the draft of the answer thereto submitted by his Lordship, and the minutes of Mr. Stuart and Mr. Adam thereon.

Mr. Fendall's Minute. 14 Dec. 1820.

I have already recorded my opinion upon the propriety of the Minister's closing with the house of Messrs. William Palmer and Co. for the last loan, in preference to this Government coming forward with the advance so indispensably necessary for the Minister to carry into execution the plans of reform in his Highness the Nizam's Government. Still retaining the same opinion, the instructions submitted by his Lordship for the guidance of the Resident, and the draft of the letter to the Honourable Court, appear to me the only equitable mode that can, under existing circumstances, be pursued; and I therefore have the honour of concurring in the sentiments expressed by his Lordship on the subject. At the same time, I beg leave to submit the propriety of the Resident's being directed to call upon Messrs. William Palmer and Co. to furnish the names of all the partners in the house, that the same may be laid

Bengal Political Consultations, 16 Dec. 1820.

before the Honourable Court, conformably to the orders contained in the thirteenth paragraph of their letter of the 24th May last.

Fort-William, 14th December 1820.

(Signed) JOHN FENDALL.

Ordered, That an Extract, comprizing Paragraphs 4 to 13 of the Court's Letter of the 24th May 1820, be sent to the Resident at Hyderabad with the following letter.

Letter from the Secretary to Government.

To H. Russell, Esq. Resident at Hyderabad.

Sir:

1. I am directed to transmit to you, for your information, the accompanying extract from a letter from the Honourable the Court of Directors, under date the 24th of May last, and to communicate to you the following instructions of his Excellency the Governor-General in Council, with reference to the subject of the orders of the Honourable Court.

2. In pursuance of those orders, the Governor-General in Council directs that you will refuse your sanction to any further pecuniary engagements, on the part of the house of Messrs. William Palmer and Co., with the Nizam individually, or with his Highness's Government. The tenor of this order is to be imparted privately to the house, in such manner as that no misconception may be created which could injuriously affect their credit.

3. You will further intimate to Messrs. William Palmer and Co. the inhibition of the Governor-General in Council to their making or meeting henceforth any overture for a pecuniary transaction with the Nizam, or his Government, warning them that any attempt on their part in contravention of this notice will be proceeded against as a heavy offence.

4. You will, at the same time, require them to acknowledge, in writing, their receipt of the communication which you are hereby instructed to make to them, and their understanding that it cancels the license dated 23d July, as to any future purpose.

5. The Governor-General in Council understands that the firm of the house consists of the following persons, *viz.*

William Palmer, a native of India;
William Hastings Palmer, ditto.
Sir William Rumbold, Bart., English;
Mr. George Lamb,.....ditto;
and a native subject of the Nizam, whose name is not known.

6. You will ascertain and report whether the above list be correct, adding the names of any other persons who may be partners in the house, as required by the thirteenth paragraph of the Honourable Court's letter.

7. You will also report, for the satisfaction of the Honourable Court, whether you have availed yourself at all times of the power alluded to in the ninth paragraph of their letter, and will submit every information, with regard to the pecuniary transactions of the house with the Nizam's Government, which may not have already been reported in your former dispatch.

I have, &c.

Fort-William, 16th December 1820.

(Signed) G. SWINTON, Acting Secretary to Government.

POLITICAL LETTER *to* BENGAL,

Dated 28th November 1821.

Political Letter to Bengal, 28 Nov. 1821.

1. Our last letter to you, in this department, was dated the 22d August last.

2. On the 24th May 1820, we communicated to you, from this department, our sentiments and instructions respecting the permission which you had granted, in the year 1816, to the house of Messrs. William Palmer and Co. at Hyderabad, to engage in pecuniary transactions with the Government of his Highness the Nizam.

3. We

Political Letter to Bengal, 28 Nov. 1821.

3. We have since received your Political Letters, dated the 21st October, the 14th November, and the 16th December 1820, wherein you refer us to certain discussions and proceedings of your Government arising out of those transactions, and inform us of the measures which have been taken, pursuant to our instructions of the 24th May 1820.

4. To your communications of the above-mentioned dates we now proceed to reply.

5. The pecuniary transactions of the house of Palmer and Co. with the Nizam's Government, appear to have been carried to a much greater extent than we had apprehended previously to the receipt of these advices; but notwithstanding the various transactions to which incidental allusion is therein made, we have been informed, and that very imperfectly, of the particulars of two only.

6. It is clear, from the memorial addressed to the Governor-General by that house, on the 27th of June 1816, that antecedently to the grant of your licence, the firm had engaged in pecuniary transactions with the Nizam's Government. For any penalties which may have been incurred by such transactions, your subsequent license could grant no indemnity.

7. The house is represented to consist of Mr. William Palmer and his brother, both natives of India, together with two Europeans, Sir William Rumbold and Mr. George Lamb; and you state it to be "a nice and delicate "point, and as yet undecided, how far the admission of two British subjects "with inferior shares into the firm, could limit rights inherent in the head of "the house, and not otherwise controllable by Government." There cannot surely be a doubt (at least there is none on our minds), whether an enactment of the Legislature can be set aside by a deed of partnership. If a native of India voluntarily limits his rights, by associating himself in trade with British European subjects, he has no ground, either in law or equity, to complain of a limitation which is the result of his own choice. Supposing Sir William Rumbold and Mr. Lamb to have been *then* in the firm, they are certainly liable to a prosecution for a misdemeanour, under the 37 Geo. III, cap. 142, sec. 28, on account of any loan advanced by the house of William Palmer and Co. to the Nizam's Government, prior to the 23d July 1816, the date of your licence.

8. In the sixtieth paragraph of your letter of the 21st October 1820, it is said, "The pay of the fourth resalah of the Nizam's horse had, from the first, "been provided for by a separate engagement with the house." Of the nature of this engagement we know nothing more than is contained in the Resident's despatch of the 30th December 1816, where he states, that "the "house of Messrs. William Palmer and Co. had agreed with Rajah Chundoo "Loll to provide the monthly sum of Rupees 52,000 at Aurungabad, for the "payment of the Sirkar horse that have gone from Hyderabad;" on what terms is not mentioned.

9. In the fifth paragraph of your subsequent letter, dated 16th December 1820, "several permissions" are stated to have been "given to the house of "William Palmer and Co.;" whereas, on your records, we can find only two instances of permission being given *by the Government, viz.*, the general licence granted in July 1816, and the sanction given to the loan of sixty lacs in July 1820.

10. In the seventh paragraph of your letter of the same date, allusion is made to a scrutiny instituted in 1816 into the previous transactions of the house, the result of which was very favourable, and shewed that the distresses of the Nizam's Government would have come to a crisis, had it not been for the assistance it had received from the firm. Of this scrutiny we can discover no trace on your records.

11. A note subjoined to the first article of the agreement concluded between the Minister and the house in 1818, respecting the payment of the regular and reformed troops in Berar, begins with mentioning, "The best "tunkhas *formerly* granted to the house;" but we have no means of discovering on what ocasion, or at what period they were granted.

12. In

Political Letter to Bengal, 23 Nov. 1821.

12. In the minute of the Governor-General, recorded on your Political Consultations bearing date the 1st January 1820, and by consequence written previously to the *agreement* for the last loan of sixty lacs, his Lordship expressed his belief, that "it was well understood that, but for the occasional "assistance derived from the house of William Palmer and Co., the Nizam's "Government could not have been kept above water."

13. And in the correspondence between Rajah Chundoo Loll, the Resident, and the firm, transmitted to you with Mr. Russell's letter of the 19th May 1820, reference is made to a debt which had been contracted by the Minister to the house during the war, the amount and other particulars of which we are left wholly unacquainted with.

14. If you were not thoroughly informed respecting the transactions to which such frequent allusion is made, it certainly behoves you to account for the suspension of the exercise of your inquisitorial and controlling powers. We are unwilling to suppose that, possessing this information, you could have failed to impart it to us, after the anxiety to obtain it which we had manifested in our dispatch of the 24th May 1820. We regret, however, that in your Political Letter to us of the 1st October 1819, when professedly treating (paragraph nine) of the efficiency which had been given to the Nizam's reformed corps, by the arrangement for securing to the troops the regular receipt of their pay, no reference was made to the agreement for that purpose which had been entered into by Rajah Chundoo Loll with the house of William Palmer and Co. in the early part of 1818, and which, in the course of 1819, had formed the subject of an important correspondence between your Government, the Resident, and the firm. This omission was tardily supplied in paragraphs 60 to 67 of your letter of the 21st October 1820; but you ought not to have suffered two years to elapse before apprizing us of that transaction, which we discover, from an incidental expression in the letter from Messrs. Palmer and Co. of the 12th October 1819, must have taken effect from the 23d April 1818, although it does not appear to have been reported to you by the Resident until the 31st of December of that year.

15. How an arrangement, which had taken effect eight months before it was reported, can be said with propriety to have been concluded "with the sanction of your Government," we cannot perceive. The Resident ought not to have countenanced the arrangement without specific authority from you, much less should he have so long deferred reporting its completion.

16. From circumstances to which we shall hereafter advert, we are but imperfectly informed of the particulars of the arrangement entered into with Messrs. Palmer and Co., under which, in consideration of stipulated monthly advances, on the part of the house, of two lacs of rupees, for the payment of the troops in Berar, it obtained assignments of revenue to the extent of thirty lacs per annum; yet enough is disclosed to satisfy us, that the terms of the convention were the very reverse of moderate. No person can read the agreement without seeing that the stipulations were highly favourable to the lenders, and of course proportionably unfavourable to the borrower; though, from the vagueness with which they are expressed, it is impossible to ascertain to what extent they were advantageous to the one party, and disadvantageous to the other.

17. When the arrangement was first reported, you felt that it required elucidation, and called upon the Resident to explain whether he considered any guarantee as implied on the part of the British Government; in what manner the revenues of the assigned districts were secured to the house; on what terms their advances were made; and whether arrangements, equally efficient and economical, could not have been made with native bankers at Hyderabad.

18. The answer of the Resident was extremely unsatisfactory. Explicit on the first point only, he omitted all explanation upon the second and third; and, in regard to the fourth, he merely replied in the negative, without stating the grounds upon which his opinion rested.

19. This strange omission was in no way supplied by the letter from Messrs. Palmer and Co., which accompanied the Resident's despatch. These communications

nications were justly characterized in a minute of Mr. Stuart, as "being, in "fact, more calculated to excite than to relieve anxiety." Indeed, your subsequent proceedings shew that, individually and collectively, you did not yet consider yourselves as sufficiently informed respecting the transaction to enable you to pass any judgment upon it. Political Letter to Bengal, 28 Nov 1821.

20. Your Accountant-General having been called upon for his opinion "as "to the expediency of the arrangement in a financial view, with reference to "the interests of the Nizam's Government, and ultimately, perhaps, of our "own;" Mr. Sherer questioned the necessity of the arrangement, and rightly regarded it as in the highest degree objectionable, if it did not originate in the most urgent necessity. To enable Government to judge of this, he suggested that the Resident should be instructed to endeavour to obtain figured statements from Messrs. Palmer and Co., of the whole of their pecuniary transactions with the Nizam's Government.

21. Conformably to the suggestions of the Accountant-General, Mr. Russell was directed, on the 4th September 1819, to apply to the house for their accounts with the Government, made out so as to exhibit certain enumerated particulars.

22. On the 6th October, Sir William Rumbold, who appears to have been then at the Presidency, requested, as a partner, to be furnished with a copy of the inquiries directed to the house through Mr. Russell.

23. This request having been complied with, Sir William Rumbold addressed another letter to your Secretary, wherein he remonstrates against a call upon the house to produce its accounts with its constituents, (among whom he seems to have ranked the Nizam's Government), as likely to prove highly injurious to its credit, and earnestly solicited relief from the painful state of anxiety in which it had been placed by your requisition.

24. In reply to this remonstrance, Sir William Rumbold was told that the house "had not been called upon to furnish copies of its accounts with its "constituents, but merely a copy of its account with the Nizam's Govern-"ment, respecting a particular arrangement of a public nature, sanctioned by "the Resident, and submitted by him to the notice of Government." He was, at the same time, requested to be in readiness to wait on the Governor-General in Council on the next day.

25. On your consultations of the 9th October 1819, we find the following entry. "Sir William Rumbold having, in obedience to the desire expressed in "the foregoing letter, this day attended before the Council, and submitted "explanations on the points on which he was requested to give explanation; "—Ordered, That the following letter be addressed to Mr. Russell."

26. The purport of the letter to Mr. Russell was, that the accounts which, on the 4th September, he had been instructed to furnish, were not now required, and, "that the Governor-General in Council did not propose to take "cognizance of that arrangement,* further than to prevent any interference on "the part of the house,† or of any native agents belonging to that establish-"ment, in the collection of the revenues, or in any other branch of the "management of the districts assigned under the agreement of the parties;" for which purpose the Resident was directed ("if it should be ever neces-"sary) to interpose his influence and authority."

27. Before your letter of the 9th October reached Mr. Russell, it appears that he had actually applied for, and received from the house, the figured statements which he had been directed to furnish on the 4th September, and that he had transmitted them to Calcutta, in a letter addressed to your Secretary, under date the 15th October.

28. These statements Messrs. Palmer and Co., say to Mr. Russell, con-"tain the Accounts-Current of the house with the Minister for a period of "fifteen months, include every item of our transactions, and will exhibit the "transactions in detail."

29. With reference to Mr. Russell's dispatch of the 15th October, and the statements accompanying it, as above described, we find the following order recorded

* For the payment of the troops. † Messrs. Palmer and Co.

Political Letter to Bengal, 28 Nov. 1821.

recorded on your consultations of the 7th December 1819:—"Ordered, That "the enclosures in the foregoing dispatch be returned to the Resident at "Hyderabad, in conformity to the spirit of the resolution communicated to "him in the Secretary's letter of the 9th October last."

30. On your consultations of the 1st January 1820, we find two minutes, the first recorded by Mr. Stuart, and the second by the Governor-General, taking opposite views of the transaction which had given rise to the foregoing proceedings.

31. In most of the statements of Mr. Stuart, and the conclusions which he has drawn from them, we entirely concur. Independently of the jealousy which the Legislature has entertained, and which we have constantly manifested, of pecuniary dealings, on the part of British subjects, with Native Princes, the origin and nature of the transaction in question, the parties concerned in it, and the relations in which they respectively stood to the British Government, not only warranted, but rendered it incumbent on you to inform yourselves of all its details. The arrangement having been first suggested by Captain George Sydenham, having been concluded with the entire concurrence of Mr. Russell, having taken place at a period when the influence of the British Government pervaded every branch of the Nizam's administration, and having been carried into effect under a special license from your Government, through the instrumentality of a house of business, which, but for that license, could not legally have engaged in such transactions, you had the most powerful motives for substantiating, both to your own and to our satisfaction, first, that the object was of sufficient importance to warrant the adoption of extraordinary and unusual means for its attainment; and, secondly, that the means which you had authorized were not perverted to purposes injurious to the interests of our Ally, or discreditable to the British character.

32. With regard to the object, namely, securing the efficiency of the Nizam's regular infantry and reformed corps, you were informed by our Secret Committee, so long ago as the 23d December 1813, that "the Committee was "not prepared to give a decided opinion respecting the plan of encouraging "our allies to form regular battalions of infantry, disciplined after the Euro-"pean method, and commanded by British officers; and until you were apprized "of their deliberate judgment upon the subject, you were directed to abstain "from any further measures with a view to that object, beyond the completion "of the proposed brigade under Captain Ford."

33. In the dispatch of the Secret Committee, dated 3d April 1815, you were put in possession of the result of the Committee's mature deliberations on the subject, *viz.* that more danger was apprehended from the extension of the European system of military discipline amongst the troops of the Native Powers, than advantage was expected to be derived from their services; and the reasons for this opinion were then stated distinctly and at some length.

34. And, in the ninth paragraph of the dispatch from the Secret Committee, dated the 5th January 1818, you were told, that "the doubts which the "Committee had formerly expressed, as to the policy of encouraging generally "the Native Princes in amity with us to maintain large bodies of regular "infantry, were by no means removed."

35. We learn from our Secret Committee that no reply has been received to the despatch of the 3d April 1815; and it is very remarkable that, in the twenty-first paragraph of your Political Letter, dated 12th December 1816, written of course after the receipt of the Committee's despatch of April 1815, you acquainted us, without adverting to that despatch, that 'measures were "in progress for the reform and improved organization of a large body of "horse in the service of the Nizam." You at the same time expressed hopes, that you would be "able to effect something in the same way with the "Paishwah and the Rajah of Nagpore."

36. With a view to the hostilities then determined upon against the Pindarries, the measures referred to in your letter of December 1816 might be not only justifiable, but proper, as temporary expedients. Indeed, such contingencies were contemplated in the despatch of the Secret Committee, as presenting

presenting occasions on which it might be advisable to deviate from the general rule. But deviations from general rules should be limited to the duration of the emergencies which give rise to them. The arrangement for the payment of the troops in Berar did not take place until near the end of April 1818: it could not, therefore, materially conduce to the success of the war, which was then drawing to a close; but whatever may have been its influence upon the fate of the war, it was clearly contrary to the spirit of your instructions to continue it after the war was over. If, indeed, it could have been foreseen that, in order to secure the efficiency of these reformed corps, the constitution of which excited so much jealousy on other grounds, it would be held indispensable to provide for their regular payment by loans, or advances, from British subjects, who were to be indemnified by assignments of the territorial revenue of our ally to a large extent; the probability of such an incident would, in our estimation, have constituted an objection to their formation, not less serious than those to which the Secret Committee, not anticipating such a circumstance, considered them to be liable.

Political Letter to Bengal, 28 Nov. 1821.

37. But admitting, for the sake of argument, the constitution of these reformed corps to be altogether unobjectionable; supposing that the policy of our assisting in their formation had never been questioned, and that some new and permanent arrangement for providing for the regular discharge of their pay, and thus securing their efficiency, had been imperatively urgent, or even indispensably necessary, it does not follow, that the arrangement actually concluded for that purpose was either the only, or the best arrangement at your option.

38. Mr. Russell states, in his letter of the 28th April 1819, that "none of "the native bankers at Hyderabad could have commanded funds adequate to "the purpose; and, even if they could, that their terms would have been "much higher than those of the present arrangement." Without the smallest disposition to question the intended accuracy of Mr. Russell's representation, we cannot give to it that implicit credit which would have been due to assertions supported by incontestable facts. Had he grounded it upon unsuccessful applications which had been made by the Nizam's Government to the principal Soucars at Hyderabad for pecuniary accommodations; had he told us that, in answer to such applications (specifying dates and other particulars), the Soucars had pleaded their inability to make advances to a large amount, and that, for small advances, they had demanded exorbitant terms; and had he, after stating the terms, contrasted them with the moderation of those demanded by the house of Palmer and Co., then, indeed, his representation would have had weight; but, in its present shape, we cannot take it for more than an opinion, the correctness of which is matter of doubt.

39. At Baroda, the Guickwar has been able to borrow large sums annually at about nine per cent. under the Company's Bhandarry. This species of security, we believe, is not known at Hyderabad; but we have no reason to doubt, that had the Company lent its credit to the Nizam's Government in another form, money might have been obtained from native bankers at a rate of interest equally moderate.

40. In truth you have, in substance, if not in form, lent the Company's credit in the late pecuniary transactions at Hyderabad; not, indeed, for the benefit of the Nizam's Government, but for the sole benefit of Messrs. Palmer and Co. You have not guaranteed to the house the fulfilment of the engagements entered into with it by the Nizam's Government, but the house has received the support of the British Government, and it expects that the influence of that Government will be employed, to secure satisfaction of its just demands upon the Government of the Nizam. Without this countenance and support, Messrs. Palmer and Co. declared that they never would have established an extensive mercantile concern (much less entered into large pecuniary dealings with the Government) in a country where there are no regular courts of judicature. With this countenance and support, they not only themselves feel secure, but they are placed in circumstances which "enable them "to secure a combination of the native monied interest*." Confessedly, they do

* See Letter from Mr. Russell, dated 19th May 1820 (on page 38).

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do not possess capital of their own sufficient for the transactions in which they engage. The native bankers, who were represented by Mr. Russell, in April 1819, as not having funds adequate to an arrangement with their own Government, which required monthly advances of two lacs of rupees, upon assignments of revenue estimated to amount to thirty lacs per annum, and which assignments, it would appear, were payable five months after the periods of their issue, were able, according to Mr. Russell, in May 1820, to assist materially in furnishing the house of Messrs. Palmer and Co. with the means of fulfilling a contract with that Government for a loan of sixty lacs. The native bankers, who Mr. Russell declared, in April 1819, would have required higher terms for the arrangement for the pay of the troops, then entered into, than those agreed to by the house of Palmer and Co., were willing in the following year to lend their funds to that house, at a rate of interest which must doubtless have been lower than that which the house obtained from the Nizam's Government; for it is impossible to suppose, that the house did not reserve to itself a profit on all the funds provided through its agency.

41. The two adverse statements, as to the want of funds among the Soucars in 1819, and their possession of ample funds in the following year, we cannot well reconcile; but we can account for their willingness to lend money to the Nizam's Government on lower terms, through the medium of Messrs. Palmer and Co., than immediately through the Minister. We apprehend that this willingness proceeded, not so much from confidence in the house, as from confidence in the British Government, which countenanced and supported the house; and if your countenance and support, or in other words, if the credit of the Company had been lent to the Nizam's Government, instead of to Messrs. Palmer and Co., that Government must have saved all that the house of agency may have gained, whilst we should have advanced both our interests and reputation, by a generous and successful endeavour to serve an ally in time of need.

42. Here we cannot help remarking, that though the Legislature has granted to our Governors-General, and other Governors in Council a discretionary power of permitting, in particular cases, British subjects to do with impunity that which without such permission is denounced as criminal, yet to us, who are anxious to see the spirit as well as the letter of the law obeyed, there is surely cause of jealousy, when to the exercise of the dispensing power vested in the Governor-General in Council, is added the assurance of the support and influence of the Government to those in whose favour the dispensation is granted.

43. We have some difficulty in persuading ourselves, that his Highness the Nizam, who is said to possess a large private treasure, amounting on the lowest estimate to a crore and a half of rupees *, might not have been prevailed upon, by proper representations, to advance a part of this sum to supply the exigencies of his own Government. Though described to be a prince of sordid character, and totally indifferent to the public interests (an indifference, by the way, which we apprehend is greatly chargeable to the predominance of foreign influence in the internal administration of his dominions) we can scarcely suppose, that it would have been more difficult to prevail upon his Highness to make a temporary advance, for the purpose of preventing the dissolution of his Government and the spread of anarchy throughout his country, than to contribute the sum of sixteen lacs of rupees, to be expended for public purposes in the city of Calcutta. Yet it appears from your letter to the Secret Committee of 18th January last, that "a suggestion to this effect had been made to the Nizam by his "Minister, and that his Highness had instantly declared his most cordial con-"sent to the proposition." We are happy to learn, that instructions from the Secret Committee arrived in time to prevent the acceptance of the boon thus obtained; and if, on declining his Highness's offer, you had suggested the superior claims which the exigencies of his own state had upon his liberality, you might, perhaps, have had the gratification of witnessing a signal and welcome exception to his reputed general indifference to the distresses of his Government.

44. An

* Letter from the Governor General in Council to the Secret Committee, dated 13th January 1821.

44. An attempt is made, in the sixth and following paragraphs of your letter of the 16th December 1820, to justify the license granted to the house of Messrs. Palmer and Co., by the success which is stated to have attended the change of policy, in regard to the affairs of Oude, adopted at an early period of Lord Hasting's Government. We can discern little or no analogy between the cases in question. In one particular, indeed, (namely, the visible effect of misrule,) there may have been a resemblance between the condition of the two countries; but further than that, we apprehend the analogy will not hold. Political Letter to Bengal, 28 Nov. 1821.

45. In respect to Oude, we believe the circumstances alluded to were these. The disorders in the Nabob's administration having attained such a height as urgently to require correction, the late Earl of Minto, in December 1810, at his Excellency's own request, submitted to him a plan of reform, which went to establish within the state of Oude a code of regulations, nearly resembling that which was in operation within the British territories. The plan was not relished by the Nabob, and the persevering endeavours of the Company's Resident to obtain his acquiescence rather increased his repugnance, whilst they produced visible dissatisfaction on the part of his Excellency, both with our Government and its representative, threatening a dissolution of the relations between the two states. The present Governor-General, in March 1814, with the view of averting the impending crisis, very prudently directed the Resident to desist from further perseverance in efforts, which, however well intended, had occasioned such undesirable results, and to adopt a more cautious and conciliatory line of conduct. This change of policy did contribute, we believe, in a considerable degree, to soothe the irritation of the Vizier, and to restore the relations between his Excellency and the Company to their former amicable footing. But adverting to frequent instances, which we find reported in the late correspondence of the Resident at Lucknow, of Company's troops having been employed in coercing the Vizier's refractory Zemindars, and in aiding the collection of his revenues, we cannot but doubt whether the Governor-General's other object has been obtained, namely, "that by allowing freedom of action "to the legitimate power of the state, our ally might be taught to manage his "territories, with benefit to his people, and with an exoneration of the British "Government from the odium which attached to it as the source of the existing evils."

46. However this may be, your late policy at Hyderabad, instead of being framed in consonance with that which in 1814 was pursued in regard to Oude, appears to us diametrically opposed to it. In your letter to the Resident at Hyderabad, dated 22d January 1820, he was instructed to interfere in all the details of the Nizam's administration. The second and third paragraphs run thus:—"His Lordship being anxious to establish the prosperity of the Nizam's "dominions and the happiness of his subjects, authorizes you to interpose your "advice and influence for those purposes. A salutary controul over the internal administration of the country, accurate accounts of all establishments, "receipts, and expenditures, the correction of abuses, a proper distribution of "justice, the reduction of expense, the amelioration of the revenue system including the customs and duties levied on commerce, the improvement of the "resources, the extinction of debt, the efficiency of troops retained, and the "discharge of such as are useless, are objects to which your attention will "naturally be directed."

47. In further proof of the contrariety between the policy of your Government at Lucknow and at Hyderabad, we need only remind you, that it has been the practice, ever since the time of Lord Cornwallis, to discourage, in various ways, the establishment of European British subjects within the territories of the Nabob Vizier; whereas you have authorized a British mercantile house, established within the Nizam's dominions, to enter into pecuniary transactions with his Highness's Government, notwithstanding your experience of the abuses and disastrous effects attendant upon the pecuniary dealings of Europeans with Native Princes in Oude, and in the Carnatic.

48. One great evil of this establishment, grown to the importance which it has acquired, is, that while it holds the Government of the Nizam in a state of dependance, amounting almost to vassalage, it may, by means of its influence

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over that Government, obtain a monopoly of the commerce of the country as well as of the money market. In the agreement for the pay of the regular and reformed troops, there is an indication, and not a very obscure one, of such an aim on the part of Messrs. Palmer and Co. It was stipulated by the ninth article of the agreement, "that as the establishment, for the employment of its "funds, must necessarily engage in transactions unconnected with the pay- "ment of the troops, the same protection which is afforded to the house at "Hyderabad be given to its transactions at Aurungabad." And, in an explanatory note, they express a wish to be able to supplant certain Soucars, supposed to be connected with Rajah Govind Buksh in the traffic of Berar, which they say they had been before prevented from doing, "by the Rajah's "disposition towards the house."

49. But much as there is in this agreement to excite anxiety and suspicion, no circumstance connected with it has occasioned to us so great surprise and regret, as the suppression of the additional information respecting it, which being in your power, it was unquestionably your bounden duty to furnish, but which you have withheld, for reasons which we must pronounce extremely unsatisfactory.

50. By requiring the accounts called for in your Secretary's letter to Mr. Russell of the 4th September 1819, you virtually acknowledged, that without them your information was incomplete.

51. The answer returned in your Secretary's letter of the eighth October to Sir William Rumbold's remonstrance against the production of those accounts, shews that you then considered his objections in the light in which they ought to be considered, as extravagant and futile. Why, after requiring accounts calculated to impart the desired information respecting an important pecuniary transaction of the house with the Nizam's Government, the merits of which you felt yourselves unable justly to appreciate, and after having overruled a frivolous objection to the production of the accounts by one of the partners, you should, in the same letter, have invited that partner to attend in your Council-room to give verbal explanations, we are at a loss to comprehend.

52. Of the value of Sir William Rumbold's verbal explanations it is impossible for us to judge, ignorant as we are, both of the questions which were put to him, and of his answers. You tell us that they "appeared to the "majority of the Board to be perfectly satisfactory." Mr. Stuart on the other hand says, in allusion to them, "No minute having been made of Sir William "Rumbold's personal communications, they do not appear on the records of "Government; all I can say of them, therefore, is that they did not, in my "judgment, tend to shake, in the slightest degree, the grounds on which the "Government had decided to call for more accurate information." Which was the more correct opinion of the two, we have not the means of positively determining; but there are strong presumptions in favour of Mr. Stuart's. When information which might have been furnished to us was withheld, for no better reason than that it was deemed unnecessary by a majority of your Board, whilst it was contended by the minority to be indispensable to a right understanding of a public question, the majority must have felt that the withholding of it, under such circumstances, was open to a very unfavourable construction. Mr. Stuart told you, that Sir William Rumbold's explanations were, in his estimation, very insufficient; still, such as they were, he heard them: whereas the accounts are withheld from us, and the explanations of Sir William Rumbold, which, in the opinion of a majority of your Board, rendered the production of the accounts unnecessary, are equally withheld!

53. We have looked with anxiety for some attempt to justify, or to palliate, a proceeding, which, so far as our recollection serves, is without a parallel on the records of our Indian Governments; but in your letter it is reported as if it were a circumstance needing no comment, and it is only through the following passage in the minute of the Governor-General, recorded on your consultations of the 1st January, 1820, that we have been able to acquire a knowledge of the motives of this novel and most irregular procedure: "When Sir William "Rumbold was called before the Council, he explained that the supplication "of the house for Government dispensing with the delivery of a copy of the

"accounts

" accounts had this sole motive: the accounts once put on the proceedings of " Council must be transmitted home, so that the transactions of the house " would be subjected, in London, to the inspection of persons liable to form " all kinds of false deductions, from total ignorance of the habits of the country " and of every concomitant particular: at the same time, he offered to explain " every part of the transactions verbally, on oath, to the Council. He further " proposed to wait upon Mr. Stuart at his own house, and there submit the " accounts to his examination. The validity of the objection to producing the " accounts in Council struck me immediately, and I believe was similarly felt " by two other Members." This apology is meant to apply exclusively to the suppression of the accounts, and not to the suppression of Sir William Rumbold's explanations (for which no apology is made); although, if admitted in one case, we do not see how it can be rejected in any supposable case. It is the language, not of a responsible, but of an irresponsible Government. It is not an exercise of the license of acting without instructions, and reporting the proceedings for the information and sanction of the Authorities at home; it is the assertion, by your Government, of a power to act, without the obligation to communicate to any superior authority the means of judging of your acts; and consequently, the assertion of a power to elude all check and control. It is not an assumption of a discretionary power, on the part of the local Government, to suspend the execution of instructions from home; it amounts to the assumption of a power to do what you please, and to communicate to us just so much of what you have done as you may see fit. And on what ground does this assumption rest?—that we are not qualified to draw right conclusions from the information which is laid before us; but that, from ignorance of all that we ought to know, it is not only unnecessary but unsafe to put us in possession of the materials of knowledge. We should be unworthy of the station we hold, if we did not strongly condemn such proceedings, defended by such allegations.

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54. In your letter of the 16th December 1820, our attention is drawn to another, and still more considerable pecuniary transaction, between the Government of his Highness the Nizam and the firm of Messrs. William Palmer and Co., to which your special sanction has been given.

55. It appears that in May 1820, Rajah Chundoo Loll being desirous of diminishing the expences of the Government, and of prosecuting general measures of reform, required the command of a large sum of money for the purpose of discharging arrears of pay due to establishments to be reduced, as well as to those which were to be maintained; of making advances for the improvement of the country, relieving the revenue from the heavy assignment which had been granted as security for some debts, and paying off others which had been borrowed at a high rate of interest. To acquire the requisite funds, the Minister applied for a loan of sixty lacs of rupees, for six years, to the firm of Messrs. William Palmer and Co., and they agreed to lend that sum, on condition of receiving from the Nizam's Government assignments of revenue to the extent of sixteen lacs annually, provided the sanction of the Resident could be obtained to the transaction.

56. The Resident having been consulted, submitted the proposed transaction to the favourable consideration of your Government. The recommendation of the Resident was founded upon the importance of the object to be effected by means of the loan, the impossibility of getting the money "by any other " means than the assistance of Messrs. William Palmer and Co. whose circum- " stances enabled them to secure a combination of the native monied interest," and the advantage derivable from that article of the proposed agreement between the house and the Minister, which stipulated that the Resident should be consulted on the appointment, or removal, of the Talookdars in the assigned districts.

57. When the measure was brought forward for discussion in Council, it was advocated by the Governor-General and Mr. Fendall, and opposed by Mr. Stuart and Mr. Adam. It was finally determined, however, by the casting vote of the Governor-General, that the sanction of Government should be given to it.

58. Many

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58. Many of the observations which we have felt it our duty to make on the arrangement concluded in 1818, for the pay of the reformed troops in Berar, are equally applicable, and some of them are still more applicable on account of its magnitude, to the transaction now under consideration.

59. There is this material difference, however, that the arrangement for the pay of the troops was concluded before you were consulted respecting it, whereas the loan was contracted for under your express sanction. In this respect, too, the loan of sixty lacs would seem to differ from all the other pecuniary transactions of the house of Messrs. William Palmer and Co. with the Nizam's Government, to which occasional allusion is made in your proceedings.

60. To enable us to judge of the merits of this transaction, much information is wanted which we do not possess. On the strength of that which we do possess, we cannot ratify the sanction which you have given to it.

61. That it may have been desirable, nay that it may have been indispensable for Rajah Chundoo Loll to have the command of a large sum, to enable him to carry into execution the reforms which he had previously concerted with the Resident, we can easily suppose. We are not satisfied, however, that the sum required might not have been provided by other means, and on terms less unfavourable to the Nizam's Government, than at a rate of interest little short of sixteen per cent. The Resident, has, indeed, asserted on this, as well as on a former occasion, that the Minister "could not obtain it by any "other means;" but this assertion, like the other, stands unsupported by any evidence. We mean not to impute to the Resident any intention whatever of misleading you, by stating what he did not believe to be a fact. But when a very objectionable expedient was proposed for accomplishing a purpose however desirable, it was surely incumbent on the person recommending this expedient, not only to affirm, but to prove, that all unobjectionable means of attaining the same end had been tried and had failed.

62. Mr. Fendall alludes, in his minute of the 7th July 1820, to a former loan which had been negotiated at twenty-four per cent. We cannot discover, from the documents before us, whether that loan was negotiated with Messrs. William Palmer and Co. or with native bankers. One of the professed objects of the loan of sixty lacs having been to enable the Minister to pay off a debt to the house of Palmer and Co., bearing, it is presumed, a higher rate of interest than sixteen per cent., this debt may have been created by the loan at twenty-four per cent. interest, to which allusion was made by Mr. Fendall. Be this, however, as it may, Mr. Fendall, who gave his support to the loan of sixty lacs contracted for with Messrs. William Palmer and Co., not only supposes in the following passage of his minute, but argues on the supposition, that the money might have been obtained from native bankers. "What interest they "(the native bankers) will demand, it is not easy to say; but, from the former "loan having been negotiated at twenty-four per cent., I do not imagine they "will advance their money at less than twelve per cent. In addition to the "interest which Messrs. William Palmer and Co. must pay to the native "bankers, they must be at some expense in realizing the annual assignments, "perhaps not to the extent of the remaining four per cent., but they must "also naturally look to derive some advantages, to cover the risk and respon-"sibility which will attach to them as the negotiators of this loan, which, at "the inferred rate of sixteen per cent. is one-third less than the former one "bore." Hence it may be concluded, notwithstanding the contrary assertion of Mr. Russell, that in the opinion of Mr. Fendall at least, money might have been obtained from native bankers, by Rajah Chundoo Loll, at twelve per cent., being nearly four per cent. less than was paid to Messrs. William Palmer and Co., and at one-half the rate of interest payable on a former loan (although the new loan must have been raised in an unfavourable state of the money-market, occasioned by a new and large demand), provided that the native bankers had been placed on the same footing as the British agents. This being the case, no sufficient reason is given by Mr. Fendall, why Messrs. William Palmer and Co. should have been employed as agents in the business at all; for it would be absurd to impute the expected decrease in the rate of interest

interest to any other cause than the security likely to be felt by the contributors, from its being known that the loan was negotiated under the sanction of the British Government. We cannot but think, also, that in giving your sanction to the loan, and pledging your influence in support of the agents employed in negotiating it, you either did not go far enough, or went too far. You afforded to Messrs. William Palmer and Co. what they no doubt deemed an adequate security, without obtaining for our ally a corresponding benefit. The meaning annexed by the contractors to the terms "sanction and influence," is explained in the following passage of a letter from Messrs. William Palmer and Co. to Mr. Russell, dated the 19th May 1820. "By the sanction which "we require from the Resident, we do not mean to imply any security by "which the British Government would be responsible for the money we should "lend to the Minister: all we require is, the certainty that the Resident will "use his influence to prevent our being defrauded, or any misappropriation "made of the revenues of the talookas on which we are to have assignments. "We shall never require that influence to be exerted beyond the point to which "the Resident can go, without making it a subject of discussion between our "Government and his Highness the Nizam's."

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63. Waving all comment upon the foregoing extract, it is clear that the sanction and influence of your Government enabled Rajah Chundoo Loll to obtain money at an interest of eight per cent. less than he had before paid. It is probable that, with the sanction and influence of your Government, and without the intervention of Messrs. William Palmer and Co, he might have obtained it from the native bankers at twelve per cent. less than he had before paid; and we regard it as certain, that a loan might have been obtained for the Nizam's Government, under your guarantee, at less than ten per cent. interest. The difference between the rate of interest actually paid, and the rate at which, under your guarantee, money might have been borrowed, is, according to our conception, the amount of profit derived by the house of Palmer and Co. from the transaction; for we cannot doubt that in your influence they consider themselves as possessing a virtual, though not a formal and technical guarantee.

64. We desire not to be understood as expressing regret that you did not lend the credit of our Government to Rajah Chundoo Loll on the occasion in question. Whether, in any circumstances, such a proceeding might be allowable, it is needless now to discuss. But we have no hesitation in declaring, that the information contained in Mr. Russell's letter of the 19th May 1820, and its enclosures, far from being of a nature to warrant you in entertaining an extreme proposition of this sort, did not justify you in even giving your sanction to the loan of sixty lacs, imperfectly acquainted as you were with the state of the Nizam's finances, and the mode in which the money, when obtained, was meant to be applied.

65. In Mr. Russell's letter of the 9th of October 1819, he plainly declared his inability to give any satisfactory information respecting the state of the Nizam's finances. "No account," says he, "of the receipts and disburse-"ments of the government has been prepared since that for 1813-14. The "Minister is the only person who possesses the necessary materials for such an "account, and Rajah Chundoo Loll, even if he were called upon, and would "consent to furnish it, would probably exhibit a statement, on the fidelity of "which partial reliance only could be placed. Knowing, as he does, that the "embarrassments of the Government are urged as a charge against his admi-"nistration, he would consider every addition which he admitted in the amount "of the deficit, as an aggravation of the proofs of his own misconduct. For "the same reason, it would be impracticable to procure an accurate statement "of the public debt, &c. &c."

66. We were certainly not a little surprised to find such an unqualified confession of ignorance, on the part of our Political Resident, of the state of the Nizam's finances, coupled with the cause to which it is here ascribed. From the report of the Resident to Sir Thomas Hislop on the military resources and political condition of the Nizam's dominions, dated the 14th June 1817, we had inferred, not only that it was incumbent on the Resident accurately to inform

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himself respecting the finances of the state, but that he had every conceivable facility for obtaining this information. In that report, Mr. Russell stated that "the Nizam himself might be considered, for all purposes of practical utility, "as a cipher, and that he never took any part in the business of his Govern- "ment: that Mooneer-ool Moolk was nominally the Dewan, or chief mi- "nister; but that it was made a condition, at the time of his appointment, "that none of the affairs of the Government should be administered by him:" that "Rajah Chundoo Loll, though nominally only Peshcar, or deputy mi- "nister, was invested with all the functions of the office, and administered "them without any interference on the part of Mooneer-ool Moolk, and ge- "nerally without any reference to the sanction of the Nizam;" and lastly, that "Rajah Chundoo Loll having been indebted exclusively to our Government "for both his elevation and support, was bound to us by the surest of all ties, "that of knowing that the very tenure of his office, his authority, and pro- "bably his life, depended upon our ascendancy." The inference then drawn by Mr. Russell from the state of things as above described, was, that "on "all occasions, of what magnitude soever, where we may require the co- "operation of Rajah Chundoo Loll, we may confidently depend upon him to "the utmost of his power."

67. For the conduct of a Government thus created and sustained by British influence, and thus obedient to British Counsels, it appears to us that none else can be held responsible, but those who have constructed, supported, and advised that Government. We could not, therefore, but feel surprized, on seeing it avowed, at a period when it had fallen into embarrassments threatening its dissolution, that the extent of these embarrassments was unknown to the Resident; that, for six years, no account of its receipts and disbursements had been made out; and that no statement prepared by the Minister could be depended upon, because the result, if unfavourable, would afford evidence of his misconduct.

68. But we had still greater cause of surprize, when we found that, in the absence of this information, either sanctioning, or furnishing to the Nizam's Government, a loan of sixty lacs, was an alternative to which you felt yourselves irresistibly impelled.

69. In a report dated the 1st September 1820, the Resident gives an account of the measures which had been adopted, under the instructions which you conveyed to him on the 22d January, and in consequence of the loan which you had sanctioned on the 15th July preceding. Many of the measures reported by Mr. Russell, such as the removal of bad Talookdars and the appointment of good ones, the substitution of the agency for the farming system in the collection of the revenue, the expedients resorted to for restoring the efficiency of the police, and the arrangement for an improved administration of justice, might surely have been resorted to at an earlier period; and, therefore, some reasons ought to have been given, why they were delayed, until the Government was roused from its lethargy by the pangs of approaching dissolution.

70. A reduction of useless establishments is mentioned by Mr. Russell as having taken place, to the extent of between twenty-two and twenty-three lacs; and advances, together with large remissions of revenue, are stated to have been allowed in the districts: but nothing is said respecting the payment of debts to Soucars and to Messrs. William Palmer and Co., which was one of the professed objects of the Minister in negotiating the loan of sixty lacs.

71. Anxious to know whether any part of this loan had been applied to liberate the revenue which had been assigned to Messrs. William Palmer and Co. in 1818, for the payment of the troops in Berar, we made the necessary inquiry of Mr. Russell; by whom we have been informed, that that arrangement was still in operation when he quitted Hyderabad in December last. We earnestly hope and trust, however, that it may have ceased before this time.

72. It only remains for us to notice the measures adopted by you, in pursuance of our orders of the 24th May 1820, and to communicate such further instructions as the circumstances appear to us to require.

73. Our

73. Our despatch must have reached you, by the *James Sibbald*, the latter end of October or the beginning of November; and, on the 15th December, we observe a letter was addressed to the Resident at Hyderabad, with reference to the orders therein contained. Political Letter to Bengal, 28 Nov. 1821.

74. Your letter to Mr. Russell was perfectly proper, so far as it went; but it fell short of our instructions. The Resident was directed to refuse his sanction to any further pecuniary engagements, on the part of Messrs. William Palmer and Co., with the Nizam individually, or with his Government. The firm were to be inhibited, in the name of the Governor-General in Council, from making or meeting, thenceforth, any overture for a pecuniary transaction with the Nizam, or his Government, and warned that any attempt, on their part, in contravention of that notice, would be proceeded against as a heavy offence. The house were to be required to acknowledge, in writing, their receipt of the Resident's communication, and their understanding that it cancelled the license dated 23d July 1816, as to any future purpose. The Resident was further directed to furnish a correct list of the partners in the house; to report whether he had availed himself, at all times, of the power which had been reserved to him of making himself acquainted with their pecuniary transactions with the Nizam's Government; and to submit every information respecting those transactions not already reported.

75. In adverting to these instructions, you observe in your letter to us:* "Your commands, and the orders we have framed upon them, prevent the possibility of risk in future. To annul, in any degree, the effect of the assent "legitimately given to the past transactions of Messrs. Palmer and Co., we "conceive not to have been in the contemplation of your Honourable Court; "nor, indeed, do we imagine it to have been within our competence."

76. In apprizing you that our intentions in issuing our instructions of the 24th May, and particularly that contained in the 12th paragraph† of our dispatch, have been only partially fulfilled, we must at the same time add, that at the period when that dispatch was written, we did not anticipate the obstacle interposed by the course of your proceedings to the full and complete execution of our orders. We had not contemplated the possibility of your having committed our Government to the support of engagements between the house and the Nizam's Government, either for an indefinite period, or for a term of years; and we now feel ourselves placed in the painful dilemma, of being obliged to tolerate the exercise of an influence on your part, which, for the most substantial reasons, we would wish to restrain, or of peremptorily ordering you immediately to desist from the exercise of that influence, at the risk of ruin to a commercial establishment which we should be sorry to injure, and of reproach to the good faith of our Supreme Government which we are most desirous to uphold.

77. We have reason to complain, not only that we are placed in this situation of embarrassment, but that the precise extent of embarrassment has not been explained to us. After giving our best attention to the documents which you have brought to our notice, and diligently searching your records for further information, it does not appear to us that your influence is pledged to the house, in regard to any other transaction than the loan of sixty lacs. The arrangement for the payment of the troops in Berar was not, as we have already said, made known to you until after it was concluded, and never received your formal sanction. It was, moreover, of the nature that it could be made to cease at any time; and, in the sixty-sixth paragraph of your letter, dated 21st October 1820, it is stated, that, "the house had declared "their readiness to relinquish, in favour of Rajah Govind Buksh, the whole or "any part, of this arrangement." After the withdrawing of your license, any new

* Dated 16th December 1820 (see page 37).

† Par. 12. "We think it necessary to add, that if any discussion shall at any time arise between "the Nizam's Government, and the house of Messrs. Palmer and Co., respecting any pecuniary "transactions which may have taken place between them, you are hereby positively prohibited "from interposing, in any way whatever, the name, authority, influence, or good offices of any "sort, of the British Government, for the furtherance of any demand which these gentlemen may "bring forward."

Political Letter to Bengal, 28 Nov. 1821.

new advance made by the house to the Government, under that arrangement, would clearly render the European partners liable to a prosecution.

78. We conclude, therefore, that the arrangement must have ceased about the period when your license was withdrawn. Should it turn out otherwise, however, and should the arrangement be still in operation at the period when you receive this dispatch, you will give peremptory notice to the firm of Messrs. William Palmer and Co. to bring it forthwith to a termination, by ceasing to make any further monthly advances for the payment of the troops, and by closing the accounts, and delivering up the tunkhas, as soon as they shall have been reimbursed the sums previously advanced. In issuing this instruction, it is by no means our intention to injure the credit of the house; and unless it shall be made clearly to appear to you that it would produce such an effect, we desire that, in the event of their disobeying your injunction, you will direct your Advocate-General to institute a criminal prosecution, under the act of the 37 Geo. III. cap. 142, sec. 28, against such of the parties as may be amenable to its enactments.

79. With respect to the repayment of the loan of sixty lacs, which according to the terms of the agreement will not be completed until the expiration of six years from the date of the contract, you will instruct the Resident at Hyderabad to take care that his official influence be strictly confined within the limits to which it has been pledged to the house.

80. We trust that no occasion will again offer itself, which may appear to you to call for the exercise of the dispensing power vested in our Governors by law, in respect to the provisions of the statute to which we have so often alluded. But should such a case unfortunately occur, we positively direct that the spirit of the law be strictly abided by; and that any license so granted by you be for a specific transaction and a specific period, and be, on no account, of the general and indefinite character of which we have seen so much reason to complain.

We are, &c.

(Signed) .....

London, 28th November, 1821.

J. Pattison, &c. &c. &c.

EXTRACT SECRET LETTER TO BENGAL,

Dated 23d December 1813.

Secret Letter to Bengal, 23 Dec. 1813.

Par. 11. We are not prepared to give a decided opinion respecting the plan of encouraging our allies to form regular battalions of infantry, disciplined after the European method, and commanded by British officers, and until you are apprized of our deliberate judgment upon the subject, you will abstain from the adoption of any further measures with a view to that object, beyond the completion of the proposed brigade under Captain Ford.

SECRET LETTER *to* BENGAL,

Dated 3d April 1815.

Secret Letter to Bengal, 3 April 1815.

1. In our dispatch of the 23d December 1813, we apprised you of our intention, at a future period, to communicate our sentiments upon the subject of encouraging our allies to form regular battalions, disciplined after the European method, and commanded by British officers.

2. We have subsequently given to that subject all the attention which its importance required; and, upon full consideration, we are led to apprehend more danger from the extension of the European system of military discipline amongst the troops of the Native Powers, than we can expect to derive from their services.

3. To the superiority of European discipline, is to be attributed the establishment of the British empire in India; and, in proportion as that discipline is

is extended amongst the natives not in our service, we must consider the power we have acquired exposed to hazard.

Secret Letter to Bengal, 9 April 1815.

4. The various contingencies which occur in the conduct of the affairs of so large an empire as we possess in India, have at all times made it advisable to avail ourselves of the assistance of native troops, not actually in our service, and to place them, upon such occasions, under the command of officers belonging to the Company's army.

5. But we look upon the adoption of such temporary expedients in a very different light from the establishment of a system formed for the express purpose of introducing European tactics, in all their regulations and details, into the armies of any of the Native Governments.

6. In extending our subsidiary alliances, we have not been insensible to the risk of increasing our native force, beyond that proportion of European troops which ought always to accompany every augmentation of our Indian army; but we felt, at the same time, that there were circumstances connected with those subsidiary alliances, which counterbalanced the evil they were, in some degree, calculated to produce.

7. The subsidiary force absolutely constitutes a part of our own army, is entirely under our own controul, and can be changed, or even withdrawn, at the discretion of our own Government; and although it is supported at the expense of our allies, affording them protection and authority whilst in amity with us, it gives them no strength in the event of hostile disposition.

8. It appears to us, that the proposed plan, without the advantages which have been stated, is liable to all the objections which can be urged against the subsidiary system: and whatever weight may be due to the opinions that have been brought forward in its support, the possible consequences of its establishment we deem of a magnitude sufficient to deter us from authorizing its further encouragement; particularly with reference to the artillery,—an arm in which it ought to be our policy not to extend the knowledge of to the natives.

9. You will observe, by their Military Despatch of the 8th November 1814, that the Court of Directors are thoroughly impressed with the necessity of preventing the absence of our European officers from their regimental duties. The gradual reduction which they have ordered in the number of those officers, in itself constitutes a sufficient reason for not allowing them to serve with the Native Powers.

10. Having, however, from special circumstances, sanctioned the formation of the corps commanded by Captain Ford under the Paishwah's Government, we do not intend to interfere with that arrangement for the present; but you will instruct the Bombay Government, whenever the services of their officers acting with that corps shall be discontinued, not to appoint others in their place.

11. You will exercise your own discretion as to the continuance of Captain Sydenham, with a brigade major, in the superintendence of the Nizam's force.

EXTRACT POLITICAL LETTER *from* BENGAL,
Dated 12th December 1816.*

Par. 21. Your Honourable Court will observe, that the survey of the passes into the territories of our allies in the Deccan and Guzerat has been executed, and the defensive arrangements and dispositions founded on it completed. Measures are in progress for the reform and improved organization of a large body of horse in the service of the Nizam, and we hope to be able to effect something in the same way with the Paishwah and the Rajah of Nagpore. But it is manifest that no defensive precautions can be of avail against an enemy like the Pindarries, while they occasion an annual expenditure exceeding the most extravagant calculations of the cost of a vigorous and decided system

Political Letter from Bengal, 12 Dec. 1816.

* Referred to in page 74.

Political Letter from Bengal, 12 Dec. 1816.

system of measures which would destroy the evil effectually. The inability of Colonel Walker's force to defend the extended line of frontier committed to his charge has already been made manifest, notwithstanding the activity and exertion of that officer and the troops under his command, by a large body of Pindarries having actually turned one of his largest detachments, so close to its position as to have been partially engaged with the British troops, which, being composed entirely of infantry, was unable to offer any effectual obstruction to the rapid movements of the enemy. We have endeavoured to improve Colonel Walker's means of defence, by placing at his disposal two of the battalions intended to form a part of the subsidiary force, and two squadrons of cavalry which have been assembled at Sohargong for that purpose; and we hope that, with this addition, his line will be considerably more secure, though, for reasons which need not be detailed, we can entertain no hopes that any system of measures founded on defensive principles will oppose an effectual barrier to the incursions of the Pindarries.

EXTRACT SECRET LETTER *to* BENGAL,

Dated 5th January 1818.

Secret Letter to Bengal, 5 Jan. 1818.

Par. 9. The doubts which we have formerly expressed, as to the policy of encouraging, generally, the Native Princes in amity with us to maintain large bodies of regular infantry, are by no means removed. But the arrangements proposed by the present treaty,* appear sufficiently to secure the augmented military force in its connexion with the British Government, and in its application exclusively to the purposes of the alliance. In furtherance of this object, however, we think it essential that you should appoint officers in the Company's regular service to the several commands in the reformed force.

EXTRACT LETTER *from the* MARQUIS *of* HASTINGS *to the* CHAIRMAN,

Dated Calcutta, 14th July 1819.

Letter from the Marquis of Hastings, 14 July 1819.

Par. 3. The second point is a claim advanced by the Nizam's Government (though not yet formally) to an equal share in our late conquests. This is grounded on the treaty of 1802. The letter favours the claim; but I contend, that the nature of the struggle in which those conquests were made will not admit the pretension. Still the Nizam must benefit enormously by the issue of the contest. There are pergunnahs heretofore belonging to the Paishwa, which lie so intermingled with the territories of the Nizam, that we must assign them to him: Their value is about ten lacs yearly. We have then to transfer our right of chout derived from the Paishwah, which was asserted by the latter to be sixty-three lacs yearly, while the Nizam would acknowledge but twenty-five; and there are arrears confessed by the latter to approach three crores and a half. When the advantage to the Nizam is to be so prodigious, I have felt justified in suggesting what lustre would be shed on his dignity and gratitude, were he to desire that four lacs yearly, for four years, should be applied out of this vast boon to public purposes in Calcutta and its vicinity. It would be difficult to make a deduction of that amount directly from the Company's treasury; but should my hint be followed, such a fund would meet objects which would otherwise, in one way or another, ultimately fall on you. The chief of these is the erection of another church (much wanted) to be the Cathedral, with a residence for the Bishop contiguous to it: a point on which, I am persuaded, you would speedily find great pressure at home. A spontaneous munificence of this sort on the part of the Nizam, out of immense funds bestowed by us on him, when we obviously could have withheld them, would be secure from any misrepresentation of contravention to existing laws, in our applying it according to his Highness's desire.

EXTRACT

* With the Paishwah.

EXTRACT LETTER *from the* MARQUIS *of* HASTINGS *to the* CHAIRMAN,

Dated Calcutta, 21st December 1819.

Letter from the Marquis of Hastings, 21 Dec. 1819.

The position of the Nizam being now the most important point of political interest remaining, I have conceived some particular information on that head may be acceptable: I thence do myself the honour of addressing you on the subject.

My views respecting the state of Hyderabad, and the Resident's corresponding conceptions, cannot be better exhibited than by the copy of a letter from me to him, with his answer to a part of it. His reply to the first portion of my letter was simply an estimate of chout and a valuation of pergunnahs. It will be readily comprehended by you, that I am endeavouring to make the Nizam spontaneously pay for objects of public utility, which would otherwise, a little sooner or later, press irresistibly on the Company. The business could only be managed in this manner; because were we, by diplomatic stipulation, to require from him such a sum in return for the benefits he is to receive, we should be open to the charge of using our superior strength to fix an arbitrary comparison of gain, with an undue deviation from the obligations of the existing treaty, for our own advantage.

My letter will, I trust, sufficiently evince, how sincerely solicitous I am to prop the Native Governments, if they will but unite with us for the preservation of general tranquillity.

(Enclosure, No 1.)

To H. Russell, Esq., Resident at Hyderabad.

My Dear Sir:

Letter from the Marquis of Hastings.

A conversation which I have had with Sir William Rumbold makes me solicitous to write to you, for the purpose of removing some misconceptions which, I apprehend, have taken place. How they have arisen I cannot at the moment ascertain, as I am at Barrackpore, and cannot refer to the Secretary's Office, or to Mr. Adam: yet I would rather explain my views under that degree of uncertainty than delay a communication.

Standing as this Government does in the place of the Paishwah, it is regarded by me as possessing all the rights which were vested in him. Arrears of chout due to his Highness were acknowledged by the Nizam, and the only debate between him and the Paishwah was as to the amount. From the superficial examination which I gave to the claim, in the prospect of our being obliged to enter on our plighted function of arbitrators, the sum which we must, on the lowest computation, have been forced to award against the Nizam would have been dreadfully heavy. We have not been willing to go into any closer calculation of this article; for the same consideration which restrained us from agitating the question, whether the late contest came within the purview of the treaty, so as to entitle the Nizam to any participation at all, forbad our measuring nicely the degree of advantage which we were inclined to bestow, beyond what would be the strict pretension, when we were satisfied, in the gross, that such an excess did really exist. I speak of the magnitude of the boon we meditated conferring, because I cannot comprehend a doubt respecting our title to the tribute which had been payable to the Paishwah by the Nizam; and this income, added to the interest of a sum equal to what the arrears would furnish, must exceed in value any thing that we could retain of territory. We were, however, acting in the spirit of unfeigned friendship, and did not set item against item, but adverted to essential convenience, though we could not admit the argument that the chout was an exaction, which our success was to extinguish without further reference. The chout was the quit-rent, at the rate of which the predecessors of the Nizam had agreed to hold their lands. Corresponding tributes are paid to some Chief by most states in India, furnishing a regular and legitimate article of revenue; and when we stepped into the paramountship, which in that respect the Paishwah had held, the chout became a just head of income for us.

This

Letter from the Marquis of Hastings.

This is the principle which we must have maintained, had the matter been litigated on assumptions of right. Such, I repeat, was not our contemplation of circumstances. A struggle arising out of a sudden violence on the part of the Paishwah, not of planned and previously arranged war, had terminated with signal advantage for us, and we wished that an ally, whose incidental aid had been most zealous, should participate amply in the benefit of our success. With this sentiment, we adverted to what would be most convenient for the Nizam's Government. The extinction of the above-mentioned claims upon it, of course, presented itself as the first object. To this we proposed adding such territory belonging to Bajee Rao, as lay within the dominions of the Nizam. The rent of those lands is estimated by you at but seven lacs: it is represented by Mr. Elphinstone at fourteen, and I will assume a medium by calculating it ten. Surely the aggregate of these benefits is immense, in return for the very short exertion by which they were acquired; an exertion, moreover, accidentally connected with another service undertaken by us in concert with the Nizam, more for the securing his possessions from future devastations similar to what they had recently experienced, than for our own immediate interest. Looking to the vast amount of this gain to the Nizam, I did think it equitable that something from it should be thrown into our scale. Had we made the defalcation, it would have deprived the Nizam of the means to do a gracious and a grateful act. I wished that he should possess his sense of British liberality, and that he should desire to contribute four lacs yearly, for four years, to be applied as his Highness' boon, to public purposes connected with Calcutta, or its vicinage. You must perceive that I could have obtained a larger sum, by delaying for only two years the transfer of the pergunnahs to which I have alluded. The balance in cash would have been in our favour; but the sum was not the object. The application of the money which I was desirous the Nizam should request the Supreme Government to employ, would have been peculiarly useful towards purposes to which the finances of the Company could not be directed. While such an evidence of the just satisfaction of our ally would have been equally honourable for us and dignified in him, I hope that when the matter is thus explained, the prospect is not yet closed.

Sir William Rumbold tells me it was understood, that, in return for the extinction of the chout, a stipulation was to be made for the cession of territory to us. I know not whence that notion has originated. That interchanges of particular portions of territory might be an accommodation to both parties was thought probable; but that is a totally different point. Possibly, in the various unfashioned speculations about balances, suggestions, of the nature mentioned, may have been loosely thrown out. I do not imagine they were ever urged as conditions.

Thus much for the question of remuneration to the Nizam. I wish now to speak upon a subject much more important, the means of upholding his Government.

The state of Hyderabad is obviously labouring under difficulties which have nearly come to the extreme. Had we any unworthy views, we should only have to let the machine continue running down the slope till it broke to pieces. The consciousness of consenting, in that manner, to the destruction of a power which we professed to befriend, would be intolerable: at the same time, the means of counteracting the evil are not easily devised. We must not conceal from ourselves, that the indirect, but actively operative share which we have in the Government, contributes seriously to the mischief. Our intervention, as it is unavowed, must necessarily be desultory; so that it cannot have the effect of keeping the machine in regular movement, while, on the other hand, it prevents the Ministers from pursuing any consecutive system of their own. Matters are hence approaching to a crisis, which threatens to place us in the dilemma of either professedly undertaking the entire management of the Nizam's dominions, or desiring him to adopt a course which shall be unembarrassed by any interference, beyond our representation on matters affecting the common interest. The first plan, objectionable in many other respects, would be regarded at home, where the exigency could not be comprehended, as an act of wanton oppression. The second, from the peculiarity of the

Nizam's

Letter from the Marquis of Hastings.

Nizam's character, and the incapacity of the persons on whom he would repose himself, would offer no chance of the state's escaping speedy subversion. Our policy must therefore be to prevent, if possible, the progress of affairs to the point where such an alternative would be the only option. When I arrived in India, the state of Oude was in circumstances very analagous to that of Hyderabad. We held the sovereign in a visible thraldom, which might well have driven him to desperation. The consequences might have been very inconvenient. Though his own military means were null, his treasures might have afforded powerful aid to the confederacy which Bajee Rao was then secretly engaged in forming. Saadut Ali's hopes, that a new Governor-General might alter the system under which he was groaning, made him turn a deaf ear to the private instigations which he certainly received. I immediately removed some of the things which galled him the most; and on attaining more distinct insight, I completely altered for his successor the sovereign of Oude's position. Rejecting the odious practice of the Resident's domineering, even ostensibly, over the sovereign, by a combination of his nobles whom we forced the unfortunate prince to pay for keeping him in fetters, I tried whether the Government might not be swayed to the completion of all our objects by gentle influence. The experiment has answered perfectly. The grateful return which the Nawaub Vizier made for this emancipation, has been rewarded by our consenting to recognize the regal title, which he wished to assume: a dignity which I should, with equal pleasure, acknowledge in the Nizam, were he disposed to follow the example now. I have stated these particulars respecting Oude, not as imagining Hyderabad to be a parallel case, but to shew the principle by which we ought to be guided, as far as existing points will admit. The good sense and honourable feelings of the present king of Oude furnished us with a secure hold upon him. I apprehend no such reliance could be placed on the Nizam. But the main distinction is, that we have engagements with individuals at Hyderabad, of a nature very different from the narrow jobbing relations which we had with people at Lucknow. Chundoo Loll has reposed his existence wholly on our good faith. I lay it down as the basis for every procedure, that we must act up inviolably to the pledges, either specific or implied, which have induced him to promote our views, at the risk of his own fortunes. He must be, at all events, upheld. The great boon to the Nawaub Vizier was the leaving to him the free, unobstructed choice of his first minister. Whosoever might be chosen, that person was sure speedily to answer our purposes, because he could not move without our aid. In short, this exists at Hyderabad; yet as the first Minister, Mooneer-ool Moolk, is not the one who works with us, there is always the danger of his thwarting secretly what we propose. Further, Chundoo Loll has not the official character which could authorize his joining us to save the state, by an exertion possibly requiring changes unpalatable to many. The question is, whether Mooneer-ool Moolk might not be won to co-operate with us in so salutary an effort. The signal revolution which has taken place in central India offers a fair excuse for attempting to remedy the mischiefs of the Nizam's Government, under the appearance of seizing the opportunity for complimentary and flattering improvements in the tone of our relations with him. The special respects in which any changes could be made, would be to be determined by your advice, grounded on reference to local considerations. Among the latter, you would, of course, weigh how far it might be consistent with the safety of our interests, to gratify the Nizam, by assenting to the release of his sons from their confinement in the fort of Golconda. That they can have influence with the public, does not, by your details of the family, seem likely; and the punishment inflicted on their last transgression, will probably make them fear to indulge in any future turbulence. Still the security of Chundoo Loll is to be the first article of measurement, in contemplating such an act of grace; and the disposition to the latter must not be indulged, if it be not perfectly reconcileable to the former. This invariable attention to the interests of Chundoo Loll (to which we are in honour bound) and the maintenance of the reformed troops, are the essentials for us. From the first, which I hold to be more obligatory on our character than materially incumbent through advantages for ourselves, time will free this Government, and then a procedure, more consonant to the general principle, may be adopted. The reformed troops, which we owe to Chundoo Loll, will have

Letter from the Marquis of Hastings.

taken such root in the establishment of the country, that there can now be little hazard, and shortly there will be none, of any endeavours to reduce them. If, therefore, we can put the financial concerns of the state into decent condition, I see every reason to hope, that the country may, at no distant period, be swayed to the preservation of public tranquillity (our sole object) without any interference with internal managements, which would always be equally teasing to both parties.

I have, &c.

Barrackpore,
26th October 1819.

(Signed) HASTINGS.

Letter from Resident at Hyderabad.

(Enclosure No. 2.)

To his Excellency the Most Noble the Marquis of Hastings, K. G. &c. &c. &c.

My Lord:

I have now the honour to reply to that part of your Lordship's letter of the 26th October, which relates to a reform in the Nizam's affairs.

The disorders in the Nizam's affairs are not of recent origin: the Government of Hyderabad has not been in a secure or flourishing condition at any period during the last seventy years. When Nizam-ool Moolk, the founder of it, died, in 1748, his authority extended from the Nerbudda to Trichinopoly, and from Masulipatam to Beejapoor; but his death was immediately followed by domestic dissensions, and by the distractions in the Carnatic, in which the French and English were engaged as supporters of the rival Nabobs. Nasir Jung was assassinated at Arcot, in 1750; and Mozuffer Jung, his successor, who was murdered in the following year, had already become so conscious of his inability to maintain himself with the resources of his own Government, that he had subsidized a body of French troops. The Musnud was then contested between Ghazee-ood Deen and Salabut Jung: but Ghazee-ood Deen was poisoned by the mother of his rival, and Salabut Jung succeeded to the Government. He was supported, however, entirely by the French party at his Court, which exercised a more decided control than has ever been attempted by us; and when M. Bussy was recalled to the Carnatic by M. Lally, Salabut Jung foresaw the ruin of his affairs, and actually shed tears when he parted with him. The Government was almost immediately usurped by Nizam Ally; and Salabut Jung, after several ineffectual attempts to escape from the confinement in which he had been placed, was at length put to death, in 1763. In the short space of thirteen years, therefore, three reigning Princes, and one competitor for the Musnud, had successively died violent deaths. The long reign of Nizam Ally, though less disastrous to the Prince, was even more injurious to the country than the stormy period which had preceded it. The Government of Hyderabad had been worsted in every war in which it had been engaged, between the death of Nizam-ool Moolk and the treaty of Paungul in 1790, with the single exception of a short campaign against the Mahrattas, which Nizam Ally conducted with some success in 1761, and the result had, in every instance, been attended with a loss of territory or of revenue. The Government had gradually declined in power, resources, and reputation: it had become weaker abroad, and more oppressive at home. The disastrous campaign of Kurdla was immediately followed by the rebellion of Alee Jah; and if Nizam Ally had not thrown himself into our arms, he must either have been a prey of Tippoo and the Mahrattas, or have fallen a sacrifice to the ambition of his own son.

In a long and uninterrupted series of calamity and disgrace, it is difficult to fix on the precise point at which any particular disorder may have arisen. A Government cannot decline in one respect without declining in all others. Loss of honour is loss of strength. As it becomes weak, it becomes rapacious; and it is the natural tendency of evils to propagate one another. Yet it appears to me, that the greater number of the abuses which now prevail, if not occasioned, were materially aggravated, and received their most powerful and extensive action, during the imbecile and extravagant reign of Nizam Ally, and the oppressive, rapacious, and improvident administration of his favourite, Azim-ool Omrah. The amusements of Nizam Ally, though of the most puerile

puerile and frivolous kind, were attended with almost incredible expense; and the great object of his Minister appeared to be to feed his pleasures, and relieve him from the cares of Government. Azim-ool Omrah relied upon us to protect him against external danger, and as long as the country yielded money in any way, he cared nothing for the sufferings of the inhabitants, from whom it was exacted. The natives of India are less prone, perhaps, to indecorous than to violent acts; yet, when Azim-ool Omrah died, in 1804, his corpse was followed to the grave by the insults and imprecations of the whole populace of Hyderabad.

Letter from Resident at Hyderabad.

His successor, Meer Allum, was a very extraordinary man. Of all the natives I ever knew, he had an understanding the most nearly approaching to the vigour and comprehension of European minds. He looked at once at the substance of every thing that was presented to him, and was equally a stranger to forms in his mode of transacting affairs, as in the ordinary habits of his life. He was unquestionably a man of great talents for public business; but he was utterly deficient in those qualities of the heart, which supply, and often more than supply, the want of powerful intellectual faculties. He was ambitious, unfeeling, vindictive, and relentless. He never remembered a kindness or forgot an injury; and although he was fond of the appearance of charity, and courted popular applause, he had no feeling for his fellow creatures, either individually or collectively. Both his situation and his talents gave him the power of doing more good, perhaps, to his Government, than any other individual who has ever been employed under it. Yet he aggravated many abuses, and did not redress one. He raised the assessment, already too heavy, throughout the country, and made an additional imposition of one anna in the rupee, or six and a quarter per cent. on the whole revenues, for his personal emolument. His administration was chiefly passed in a struggle for power with the Nizam; and all the worst qualities of the present Nizam's character were exasperated and confirmed, by his injurious and offensive treatment.

When the present Minister, Rajah Chundoo Loll, succeeded to his office, in 1809, every department of the Government was already in a condition tending rapidly to decay. The administration under him has necessarily been one of expedients; but far from thinking that the present difficulties are to be imputed to his mismanagement, it appears to me a matter of astonishment, that affairs have been administered as they have been. In the Mahratta war of 1803, when the Minister had every advantage which the stability of his own power and the unbounded confidence of his master could give him, although the Nizam's exertions were so slender as to induce the Marquis Wellesley to declare that he had forfeited every claim he could have derived from fulfilling the obligations of the treaty, Azim-ool Omrah was still obliged to insist on an extraordinary aid of ten lacs of rupees out of the Nizam's private treasures. But during the late war, though Rajah Chundoo Loll was charged with the whole responsibility, without being invested with the full authority of Government; though he is a Member of a discordant administration, in which he has a rival instead of a colleague in Mooneer-ool Moolk; though his adherence to our interests has lost him the Nizam's confidence, and deprived him of all those advantages, which even the strongest Minister must derive from the favour and countenance of his sovereign; he still contrived to raise and equip a most respectable and useful body of troops, and furnished, in every particular, an active and efficient co-operation, without making any demand upon the Nizam's coffers, or receiving any extraordinary assistance from any other quarter. To those who compare what he has done with the means he had of doing it, his exertions must appear astonishing. Either the resources of the Government must have been improved, or they must have been applied with greater judgment: in either case, Chundoo Loll's merit as a Minister is conspicuous.

Exaction is the necessary vice of every Government, which derives its principal revenue from the direct rent of land. It seems to be universally acknowledged, that the assessment is too high in every country in India: the government demands too much, from the fear of receiving too little. What is exaction in the sovereign, becomes extortion in its most oppressive shape, under his subordinate officers; and even our own Government, with a system the most elaborate and expensive, has hitherto been unable to afford adequate security

Letter from Resident at Hyderabad.

curity to the inferior classes of its subjects. Every Indian Government subsists upon its immediate means: it is always from hand to mouth.—If ever there is a surplus revenue, it goes into the pocket of the Prince, not into the coffers of the state. There is no common feeling between a Mahomedan Government and its Hindoo subjects: public credit has no existence. A Minister may borrow money on his personal security, but public loans among themselves are entirely unknown. Extraordinary expenses, therefore, must be met by extraordinary exactions. This is the sole and entire cause of the difficulties of the Nizam's Government, and the source of every oppression that is suffered by its subjects. The officers of the revenue being required to pay to the Government more than their districts can afford, are obliged, in their turn, to oppress the inhabitants by plunder and confiscation.

In some degree, the weakness and disorders of the Nizam's Government are the necessary consequences of his political situation. An alliance with us, upon the subsidiary system, however it may contribute to the advancement of our own power, leads inevitably to the ultimate destruction of the state which embraces it. Diversities of national character and political circumstances will affect the manner and period of its action, but cannot prevent the result itself. The Mahomedans have survived the Mahrattas; the Nizam is dying comatose, while the Paishwah has expired in convulsions; but the destiny of both originated in the same cause, and necessarily tended to the same termination. If we owe the foundation of our empire in this country to the weakness in which we found the Native Powers, we ought not to complain of the evils which that weakness necessarily produces. If we have reaped the benefits, we must submit to witness the inconveniences which are its inseparable attendants. Yet evils may be palliated, though they cannot be radically cured; the crisis may be retarded though it cannot be altogether averted. And if it be true, that a part of the mischief has arisen from the predominance of our power, it is for that reason the more incumbent upon us that we should endeavour to apply the remedy.

The disorders of the Nizam's Government are those, more of the system itself, than of the agents by whom it is administered: they are not, therefore, to be corrected by any partial measures. Particular complaints are easily redressed, and particular abuses removed; but any plan of reform, to do effectual good, must be general and comprehensive. Such a plan, under the present circumstances of the Nizam's court, can proceed from no other source than the supreme authority of the British Government, and must have its foundation, either in the diminution or in the increase of our interference.

If there were any individual among the Nizam's own servants, qualified by his character and talents to exercise the functions of Government without control, it would certainly be desirable that he should be made Minister, and that the correction of the evil should be left to the spontaneous efforts of his judgment and activity. But there is no person to be found; nor, in the present condition of the Government, would it be reasonable to expect that such a person should be found. It is among the necessary consequences of the dependance of one state upon another, that men of that description are not produced. There is no field in which they can either form or exercise their talents, and it is with faculties as with commodities, that the production depends upon the demand.

The Nizam himself has not a single quality to fit him for the administration of his own affairs. His character is a compound of folly and madness, of obstinacy and caprice. He often betrays a capacity for artifice and cunning, but never shews any indication of an upright, manly understanding. The only instance in which he has been at all consistent, is his hatred of us, and his resistance of every measure in which he thinks we are interested. Whatever method of reform your Lordship might suggest would be sure of encountering his decided opposition. Even if it were determined to leave him the uncontrolled administration of his own affairs, he would not be satisfied. He would resist the proposal, if for no other reason, at least because it had proceeded from the English Government. He would then insist on having a Minister, and his only anxiety would be, to choose one whom he thought would not be acceptable

ceptable to us. On the death of Azim-ool Omrah we forced Meer Allum on the Nizam; and so many of the inconveniences which attended his administration were considered (with what justice it is not now necessary to examine) as having arisen from that source, that when Meer Allum died, in 1808, it was determined to abstain altogether from interference, and to leave the Nizam the uncontrolled selection of his own Minister. The two principal candidates were Mooneer-ool Moolk and Shums-ool Omrah, of whom the Nizam hated Mooneer-ool Moolk and liked Shums-ool Omrah. But he professed to be undecided between them, and would not declare his choice, until he discovered which of the two was preferred by us. He applied to Captain Sydenham, who declined giving an opinion, but recommended him, if he felt any difficulty, to refer to the Governor-General. The Nizam accordingly wrote to Lord Minto, requesting his advice, and having ascertained by his Lordship's answer that we encouraged the pretensions of Shums-ool Omrah, he was at once decided in favour of Mooneer-ool Moolk. His only object, from the beginning, was to ascertain which of the candidates we preferred, in order that he might appoint the other; and by this spirit of senseless obstinate counteraction, your Lordship will find him influenced on every occasion. Of all the persons who have ever been connected with him in public or private life, no one has ever been able to make a lasting impression upon his regard. He has had momentary favourites, who have ministered to his vices or flattered his prejudices, but nobody ever retained his confidence long, or was able to employ it usefully. Chundoo Loll has invariably behaved towards him with the utmost deference and respect; he has studiously avoided every appearance that was likely to give him offence; and although his devotion to our interests is alone fatal to the Nizam's confidence in him as a public man, I still believe that if the Nizam has in his heart a personal regard for any body, it is for Chundoo Loll.

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As to Mooneer-ool Moolk, such is his weakness and duplicity, that he can neither trust himself, nor will ever be trusted by any body else. His whole talent, such as it is, and his whole delight and occupation, consist in stratagem. He would intrigue even without an object; and, absurd as it may seem, I almost believe that he had rather not attain his end at all, than obtain it by fair and open means. Nor are these defects of character redeemed by any useful qualifications. He has no strength or solidity of understanding, no capacity for business, nor any experience in the higher branches of Government. The very ground of our originally consenting to his being made Minister, was a proof of the contempt in which his character was held. He was allowed to fill the situation, merely to prevent its becoming an object of competition to other people. The insignificance which disqualified him from doing any good, it was expected, would disable him from doing any harm; yet the whole of his time, and much of his money, have been spent in intrigues, to obtain an authority to which he swore, upon the Koran, he never would aspire: and although he has not advanced his own interests, he has succeeded in widening the breach between the Nizam and Chundoo Loll, in sowing jealousies and dissentions among the officers of the Government, and in impeding and obstructing the public business.

Chundoo Loll is a most respectable man in his private character, and too far superior to his rival as a public officer, to admit of any comparison between them. He has great industry, patience, and aptitude, in all the practical branches of the Government. He is indefatigable in his application, clear in his views as far as they extend, and as a man of business, I hardly ever knew his superior. His long experience has given him an intimate acquaintance with all the affairs of every department, and rendered him perfectly familiar with the manner of transacting them. He almost undertakes too much. Whatever is done, is done by himself; and even the bodily labour he undergoes is astonishing. He has great kindness of disposition, is easy of access, affable in his manners towards the lowest persons, and never, I believe, knowingly authorized a measure of unjust severity: but he is too indulgent and compliant to those who are employed under him, and he is certainly deficient in that resolution, energy, and firmness, without which it is impossible to preside with complete effect over the affairs of a Government. His

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great personal expense, indeed, the only one of his personal expenses that is very great, is his indiscriminate habit of giving alms. He distributes many thousand rupees every day to mendicants of all descriptions. I have often recommended him to confine his alms to those only who are real objects of charity; but he has a superstitious notion, that it is to this practice he owes his elevation in life, and nothing, I believe, would prevail upon him to abandon it. With some harm, however, much good is unquestionably done. Every poor person who will go to the Rajah's gate, may receive two pice and a quarter of a seer of grain daily, and a rupee and a blanket the first time they appear; and, in this way, many thousand lives have been preserved during the recent season of scarcity. The inhabitants of whole villages, who flocked to the capital for support, have been fed and clothed by the Rajah's bounty. So much does he consider this a point of personal duty, that even to the most squalid and loathsome objects he always administers his charity with his own hand. The fairest mode of estimating the practical utility of a public officer, is to consider how his place could be supplied. If any accident were to happen to Chundoo Loll, no indiyidual, I am persuaded, could be found under the Nizam's Government, capable of conducting the duties which are now discharged by him. With our support, he is qualified to make a better Minister than any other that could be chosen; but he could not stand by himself. He has no rank, fortune, or connections, to protect him against the jealousy of the Nizam and the intrigues of Mooneer-ool Moolk; and if we were to withdraw, or even to lessen the support we promised him, when he came into power, if he did not immediately retire, as in all probability he would do, he would soon be driven from his office. Those very qualities which constitute his principal recommendation with us, would be laid hold of by his and our enemies, as the readiest means of effecting his ruin.

Under any mode, in short, which could be devised, of lessening our interference, I am convinced that the attempt, if we did not abandon it in time, would be productive of the subversion of the Government. All the functions of administration would be dissolved, the fabric of Government would sink under its own weakness, and the Nizam himself would probably become the victim of an insurrection of his subjects, and his country be made a scene of anarchy and outrage. New hordes of Pindarries would spring from the disorder, and we should have to renew the same measures which we have only just completed. The Nizam's Government cannot be upheld at all, if it is not upheld by us. To give effect to measures of reform, the authority of the executive Minister must be strengthened, not impaired, and the vigour of that authority now consists in our support.

If we increase our interference, to do any effectual good we must increase it largely. Notwithstanding the objections which I know are entertained, on general grounds, against interfering in the domestic concerns of our native allies, it is a melancholy but an unquestionable fact, that they have fallen into too abject a state of ignorance and weakness to be left with safety to themselves; and I am persuaded that nothing short of a close, vigilant, and decided control over the internal administration of the country, will be attended with any real or lasting benefit. But this control should be exercised through the medium of advice and influence, and not by the direct exertion of authority. We should improve and direct the implements of the country, and not introduce new ones of our own. I would rather enlarge the sphere, than increase the degree of interference. On matters in which we do interfere, I would not interfere more; but I would interfere in many matters in which we have never yet interfered at all. I would exert, in short, the same influence in correcting the abuses of the internal administration, that we now apply to objects immediately connected with our own interests.

Chundoo Loll is the person I would employ as the chief instrument of reform. The preference is due to him, both because he is fitter than any other person, and because, as long as he is willing to act upon our principles, we are bound to support him as the reward of his fidelity, to serve him because he has served us. I would begin by frankly and fully disclosing to him the object of our views. I would tell him what we expected from him, and what

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he might expect from us. Without a thorough mutual understanding, nothing could be attempted with effect.

Letter from Resident at Hyderabad.

The first object will be the reduction of expense, to make room for the remission which it will be absolutely necessary to allow in the revenue. This, indeed, easy as it may at first appear, will be the most arduous part of the undertaking. Every retrenchment that is made, and every abuse that is corrected, will be attended with a pecuniary loss to some person or other; and Chundoo Loll would be unlike other men, if he were not reluctant either to injure his friends or exasperate his enemies. But this reluctance must and will be vanquished; and the first step towards vanquishing it will be, to explain to him the claim which your Lordship recognizes in him to your protection. He must be convinced, at the outset, that he may rely confidently on the support of the British Government. Without that conviction on his mind, he neither can nor will attempt any thing effectual. It will be necessary, not only to encourage his efforts, but to repress the counteraction of his enemies, for enemies he will have, who will view with eager dissatisfaction the adoption of any measures calculated to increase his reputation, or confirm the stability of his power.

The facility of making an immediate remission in the revenue would, of course, be materially promoted, if the Minister had the command of a sum of ready money to set out with. Had Chundoo Loll any money of his own, I am convinced he would disburse it on such an occasion. The present Nizam will never be prevailed upon to furnish any aid out of his private treasures; but, in the event of his death, a condition might be made with his successor, that he should advance such a sum as might be necessary for the relief of his own finances. Many instances might at once be pointed out, where a saving might be made to the Government without the violation of any just right; in the reduction, for example, of troops which are useless or unnecessary, or in the resumption of jagheers or pecuniary stipends, granted for the support of troops which have never been kept up. Of the whole of the troops, also, which are maintained by payments from the treasury, I would make a proportionate reduction in every party. The reformed horse might be allowed to die away to three resalahs of six hundred, instead of four of a thousand each; the six regular battalions might be reduced from eight hundred, to a peace establishment of six hundred privates each. In this, alone, the saving on the scale of the Nizam's resources would be considerable. At all events, it would be a step in the process, and would serve both as an example and as an encouragement for the remainder. Some of the irregular battalions might be abolished altogether; and I have no doubt that, on a rigorous inquiry, some nominal parties will be found, of which the reduction would be a clear gain to the Government, without occasioning the discharge of a single individual. Numerous opportunities of retrenchment would be discovered in the progress of the plan, facilities would arise from the correction of each successive abuse, and the Minister would find himself rewarded, in the relief he would experience from his difficulties; and would acquire additional confidence, in proportion as he found us determined to support him against that hostility, which every Minister in every country must encounter, who attempts to introduce a system of retrenchment and reform.

The reduction of expense, and the establishment of a system of general economy, would alone materially facilitate the relief of the inhabitants of the country. The pressure of every burthen falls ultimately on the cultivator of the soil. Men in office are not unjust or oppressive from choice. The collectors of the revenue will not press the inhabitants of their districts, when they are not themselves pressed by the Government. The original system of revenue under Indian Governments is better, perhaps, than any other which could be substituted for it. The talents and characters of the different Talookdars are generally well known. I would recommend the Minister to employ those only who have a good reputation, and systematically to exclude those who are notoriously rapacious or oppressive. The districts should be given to them in aumannee, not ajarah: that is to say, they should be collectors, not farmers of the revenue. A pledge of protection should be given to them against exaction on the part of the Government, and they should be peremptorily

Letter from Resident at Hyderabad.

peremptorily warned against practising extortion or confiscation in their districts. One of the most fertile sources of immediate injury is the want of faith in agreements. Every cowl should be held sacred. The Rajah should never be required to pay more than the assessment for which he stipulated: if he is pinched to fulfil his engagement in a bad season, he should be allowed to enjoy the whole of his profit in a good one. Whenever an act of plunder, oppression, or breach of faith, was discovered, it should be severely and summarily punished. Examples will be efficacious, though injunctions fail. The people who suffer will always complain, where they know their grievances will be redressed; and in a country where litigation is not encouraged by regular tribunals, it is surprizing how few false complaints are preferred. Many complaints which could not reach the Minister will reach the Resident, and the knowledge of the simple fact that grievances were redressed, would of itself encourage the inhabitants to prefer their complaints, and restrain the local officers in the exercise of their authority.

One particular measure has occurred to me, which I think might be adopted with great advantage. Rajah Chundoo Loll has an only legitimate son, Rajah Bala Persaud, now near sixteen years of age, to whom he appears to be most affectionately attached, and who has been educated with the greatest care. During the last three years he has been gradually initiated into business, and the Minister has intrusted him with the entire management of the accounts of his domestic establishment. He is always present at our conferences, and takes notes for his father of any thing which requires it; and I observe that all the Minister's communications to me upon secret and confidential subjects are written in his hand. His character and disposition appear to be excellent, and his understanding and acquirements are certainly beyond his years. In the future prospects of this young man the Minister, as your Lordship will readily believe, feels a very anxious solicitude. He has often spoken to me about him, and told me, that when he died he should bequeath him to the protection of the British Government. The measure I would propose is, to recommend the Minister to appoint his son to the principal charge of the extensive districts of which the revenues are assigned for the payment of the regular reformed troops, and to give him distinctly to understand, that his future claims on the British Government would be estimated by his conduct in the discharge of that trust. This would at once give Chundoo Loll the strongest personal inducement that a man can have, to select good agents, and to keep them rigorously to the upright discharge of their duty.

He would have the interest of a parent, as well as of a minister, in the prosperity of the country. He is himself thoroughly versed in the practical duties of the revenue, having for some years held, with high reputation, the collection of the greater part of what are now called the Ceded Districts. The tract thus entrusted to Raja Bala Persaud, if the management of it answers the expectations which I think may sanguinely be entertained of it, would at once become a standard for the rest of the country. The principles and practice which obtained in it might be held up to imitation; and with a practical model for their guidance, the collectors of other districts would have less excuse for departing from their duty. If this measure were approved of, it is hardly necessary for me to state how powerful a sanction it would receive, if I were authorized to express to Chundoo Loll the personal interest which your Lordship felt in the success of the experiment.

It is fortunate that the situation of an Indian Government is such as to require the removal of immediate difficulties only: all that is requisite, is to reduce the expenses so far as to admit of an adequate remission in the revenue: there is no heavy debt to be discharged. In a late despatch I computed the debt of the Nizam's Government at fifty lacs of rupees: I have since seen reason to believe that that estimate was too large. Rajah Chundoo Loll had recently an attack of illness, from which he has not yet entirely recovered. The last time I saw him he spoke of the possibility of his death; and after repeating what I have already said of his anxiety about his son, he told me that in pecuniary matters his mind was quite at ease. He then enumerated the debts for which

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which he considered himself to be personally responsible, and they amounted to less than five lacs of rupees. Even to meet this demand, he told me that seven lacs of rupees, without calculating interest, were due to him by Shumsool Omrah for money which he had actually advanced. For all other debts incurred by him during his administration, he said that adequate assignments had been granted on the country: arrears, also, must be due in various departments, which constitute in fact a part of the public debt. If, therefore, the expenses of the Nizam's Government could but be reduced within the limits of the revenue which his territories would yield without exaction, every object that can be desired will at once have been accomplished.

But although the Nizam himself is incapable of contributing directly to the amelioration of his affairs, it would be an object of the greatest importance, to influence him in favour of the measure, and as far as possible, to conciliate his good-will towards the Minister, by whom it must be executed. Though his assistance could not advance, his opposition certainly would obstruct our purpose; and the success of Chundoo Loll's measures would be most materially promoted, by even the appearance of confidence and kindness on the part of the Nizam. Your Lordship has suggested two methods, by which it seems reasonable to suppose that the Nizam ought to be gratified: the recognition of the regal title, if he was disposed to follow the example of the King of Oude; and the release of his sons from Golconda.

The Nizam expressed considerable resentment against the Nabob Vizier, when he heard, some months ago, of his intention to declare himself a king. He even shed tears at what he called the ingratitude of the Nabob, and pretended to feel great commiseration that the house of Timour should be deprived of the smallest portion of its nominal supremacy. When I asked Chundoo Loll whether the Nizam's feelings were sincere, he said, "If the "Nizam thinks that the Nabob Vizier has been ungrateful, in what does he "consider his own gratitude to consist? Has he been a more faithful and "obedient feudatory? If the King of Delhi were to ask him for fifty thousand "rupees, would he give it to him? Was not his own grandfather the first who "set the example of rebellion, and his own territories the first that were severed "from the empire?" If the Nizam should have any wish on this subject, it will certainly discover itself; but I think it more likely that he will not.

The release of his sons from Golconda is unquestionably the wish nearest the Nizam's heart: not from any affection he has for them; for if they were released to-morrow, he would not see them more than twice a year; but because he considers it degrading to himself, to have been compelled to place his own children in confinement. It would also be particularly useful and agreeable to Chundoo Loll, to be made the channel of a measure so gratifying to the Nizam. Far from considering the release of the princes to be a source of danger to himself, I am persuaded that if he were desired to point out the most essential service we could render him, this, if he thought it would be conceded, would be the one he would select. The measure would, indeed, be one of general popularity; and the young men themselves have already suffered so much from their former intemperance, and it would now be so decidedly the interest of the Nizam to check the slightest appearance of excess, that I do not apprehend their return to the city would be attended with any danger, either to our own particular interests or to the general tranquillity of the Nizam's Government: certainly it would be attended with none commensurate with the important advantages which might be derived from it at the present moment.

In addition to this measure, it might at first be supposed that the Nizam would be gratified by a proposal, on our part, to declare the succession to the Government in his family. But he is as jealous of his own sons as he is of strangers; probably even more so: and Meer Allum used to suggest, as the most effectual method of working upon his fears, that he should be required to appoint a Wullee Ihud; in other words, merely, to declare his heir apparent.

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Letter from Resident at Hyderabad.

Upon a subject of such magnitude, and embracing such a diversity and multiplicity of detail, it is impossible to do more within the limits of a single letter than suggest the principle and sketch the ouline of a plan: This, therefore, is all that I have attempted. Correct details, though indispensable to the execution of the measure, are not necessary for determining the principle of it, and can be procured only by degrees. If I have added any thing to your Lordship's knowledge of the real condition of the Nizam's affairs, or of the views and characters of the leading individuals of his Government; if I have exhibited the objects which require to be attained, and indicated the means which are likely to be most successful in attaining them, with sufficient distinctness to assist your Lordship's judgment in deciding on those to which a preference is to be given, I have done all that I can at present desire. The rest is ministerial: and I hope I need not profess the zeal and alacrity with which my humble abilities will always be exerted in the execution of your Lordship's orders, or the satisfaction with which I should hereafter remember, that I had been, under your Lordship's direction, a successful instrument in the performance of so great and good a work.

I have, &c.

Hyderabad, 24th November 1819.

(Signed) H. Russell, Resident.

EXTRACT BENGAL SECRET CONSULTATIONS,

Dated 22d January 1820.*

To H. Russell, Esq., Resident at Hyderabad.

Sir:

Bengal Secret Consultations, 22 Jan. 1820.

Letter from Secretary to Government.

1. Your report of the 24th November, relating to a proposed reform in the affairs of his Highness the Nizam, has been under the consideration of the Governor-General in Council, and I am directed to communicate to you the following observations.

2. His Lordship being anxious to establish the prosperity of the Nizam's dominions, and the happiness of his subjects, authorizes you to interpose your advice and influence for those purposes.

3. A salutary control over the internal administration of the country, accurate accounts of all establishments, receipts, and expenditures, the correction of abuses, a proper distribution of justice, the reduction of expense, the amelioration of the revenue system, including the customs and duties levied on commerce, the improvement of resources, the extinction of debt, the efficiency of troops retained, and the discharge of such as are useless, are objects to which your attention will naturally be directed.

4. The Minister, Chundoo Loll, appears to be the fittest person to be employed as the chief instrument for carrying into effect the proposed reform. In order to secure his faithful and zealous assistance, you are authorized to assure him of the protection and support of the Governor-General in Council.

5. His Lordship is pleased to sanction the release of the Nizam's sons from Golconda, and trusts that, by making Chundoo Loll the channel of this gratifying measure, the good-will of the Nizam may be conciliated towards the Minister.

6. If you discover any wish, on the part of the Nizam, for the assumption of a royal title, you are at liberty to encourage the expectation of the assent of the Governor-General in Council.

7. It is not considered necessary to furnish you, at present, with any more detailed instructions. The principles laid down in your able report of the 24th November are entirely approved, and the Governor-General in Council relies with confidence on your judgment, skill, and address, for the satisfactory execution of his Lordship's wishes. You will, of course, refer for particular directions

* Referred to in page 77.

directions on points on which they may appear to you to be necessary; and it will be satisfactory to his Lordship in Council to receive, from time to time, reports of your proceedings under these instructions.

Bengal Secret Consultations, 22 Jan. 1820.

I have, &c.

Letter from Secretary to Government.

Fort William, 22d January 1820.

(Signed) C. T. METCALFE, Secretary to Government.

EXTRACT SECRET LETTER *to* BENGAL,

Dated 22d June 1820.

Par. 1. The Chairman of the Court of Directors has communicated to us a letter which he has recently received from the Governor-General, dated on the 21st December 1819, enclosing copies of one addressed by his Lordship to the Resident at Hyderabad on the 26th October, and of a dispatch from the Resident of the 24th November.

Secret Letter to Bengal, 22 June 1820.

7. We will not now inquire, whether the demand which Lord Hastings desires to make, in the form of a suggestion, upon the Nizam, be reasonable or not; nor shall we, in this place, make the observations which occur to us upon the objects to which (as we learn from another letter communicated to us by the Chairman) Lord Hastings destines the sum to be received from the Nizam. Even if it were desirable to build a Cathedral and an Episcopal palace at Calcutta, we fear that the connexion of those objects with the system proposed to be adopted towards the Nizam, will more than counterbalance any moral advantage to be derived from them.

8. But there is in the present project, if it is so far advanced as to deserve that name, this peculiar cause of jealousy, in addition to all others which have attended former transactions of the kind, that at the very period in which the final ruin of the Nizam is become matter of no distant speculation, British subjects are encouraged, and empowered, to supply the pecuniary wants of that prince in contravention of the repeated orders of the Court of Directors, enforced by the Legislature. Upon this part of the subject you have already received the instructions of the Court in which we entirely concur.

10. Under these impressions, we have no hesitation in directing that no further step be taken, without our previous authority, for increasing, in any shape, the sum to be paid to us by the Nizam; and particularly that the scheme of inducing the Nizam to contribute to the expense of the public works at Calcutta be entirely abandoned.

SECRET LETTER *from* BENGAL,

Dated 13th January 1821.

1. We have the honour to acknowledge the letter from your Honourable Committee, dated 22d June last.

Secret Letter from Bengal, 13 Jan. 1821.

2. Necessarily we feel much pain, that you should deem us guilty of an omission, in not having communicated formally certain expectations from the Nizam, which the Governor-General mentioned in a private letter to the Chairman; yet we are confident, that a short explanation will remove from your Honourable Committee all impression of our imputed negligence.

3. The term "expectations" which we use, is perhaps too strong (though another word could not readily be substituted) to describe the very doubtful chance of success, in an attempt to work upon the generosity of an individual so sordid and capricious as the Nizam. The probability of moving him was vague in such a degree that we did not think we should be justifiable in holding forth to your Honourable Committee so loose a speculation. At the same time we knew that the Governor-General has conceived it incumbent on him to transmit, by every opportunity, to your Chairman, whatever particulars

Secret Letter from Bengal, 13 Jan. 1821.

ticulars may be interesting, though not fit subjects for official correspondence. Such communications to a person with whom he had not, in most cases, the honour of intimacy, could not be considered, as we thought, simply personal, but were calculated for the information of the Committee, or of the Honourable Court, on all circumstances, whether in actual operation, or in prospect, capable of affecting, in any way, your concerns: On which ground, we assured ourselves of your learning the hopes entertained in this instance, without our incurring the appearance of trespassing idly upon your Honourable Committee with a display of possible resources that might prove visionary.

4. The view of obtaining from the Nizam the voluntary donation in question was prompted by the undue proportion of benefit which was to fall to his share. The emancipation from the payment of chout, to an annual amount, by his own estimate, (though far short of the Paishwah's claim) of twenty-four lacs, and the liberation from arrears considerably exceeding two crores on the most moderate computation, but rated at twelve crores in the Poona records, must be regarded as an enormous gain. Still it would have been invidious, and obnoxious to unfavourable construction had we narrowed it by appropriating to your Government any part of the debt, or of the annual rent charge. When, in addition to this, the Nizam was to receive all the detached possessions of the late Paishwah which were encircled by the Hyderabad dominions, and which seemed from their position so naturally to rest with him that we could not decently avoid bestowing the whole, the scale of profit, unbalanced by any novel charges of administration, so far exceeded the acquisitions of the Honourable Company, as to render the aim at some collateral advantage for your Government a matter of the clearest equity, according to our apprehension.

5. It is true, the gain, solid as it was, would not be of such instantaneous influence as to remedy the immediate exigencies of the Hyderabad Government. If the state became exonerated from a debt, it was from one which it never could have liquidated in any ordinary course, and for which it consequently did not provide. If it stood freed from the tribute of chout, it only got rid of an exaction which bore but little on the current expenditure; for the Government paid the chout but partially, augmenting, by a variety of temporary evasions, the burthen of accumulated arrears, with a desperate disregard of the ultimate issue. If it attained addition of revenue, the increased receipt would nevertheless remain inadequate to meet the existing clamorous demands generated by long maladministration. The pressure on the state arose from causes unconnected with the rights of the Paishwah, and would not be removed by the extinction of the Mahratta claims. Had we, thus contemplating its condition, proposed to extort a pecuniary contribution from the Hyderabad Government, our endeavour would certainly have involved the inconsistency with which we are charged; namely, the draining the resources of that Government by an unnecessary pretension, while we profess to uphold and promote its financial convenience. This quality, however, is ascribed to our procedure through the want of a discrimination, which could not naturally have occurred to your Honourable Committee as applicable.

6. It is obvious, that your Honourable Committee has not been aware of the material distinction between the Nizam and his Government. With the latter his Highness appears to think himself wholly unconnected, never attending to any details of the administration, or adverting, in the smallest degree, to the public distresses, but saying it is the business of his Minister and the British to keep the Government afloat. He has a private treasure of, on the lowest estimate, a crore and a half of rupees, not an anna of which could he ever be prevailed upon to issue for alleviating the difficulties of his country. It was to this hoard we looked, when we indulged the notion of piquing the Nizam's point of honour to a magnanimous effort. Though the private treasury was impenetrable to the solicitations of his Ministers, we thought it not preposterous to hope, that an impulse of a different kind might induce his Highness to open those coffers. We knew that he felt the full extent of his good fortune, in escaping, through our means, the heavy defalcation from his territories which must have followed the promulgation (a duty imposed upon us by treaty) of an award on the arrears due from him to the Paishwah. We

were

were apprized that his deep comprehension of this advantage, awakened in him a lively sentiment towards us to whom he owed it: and, while he was in this temper, it might not be impossible to stimulate him to an act of ostensibly gratuitous munificence, which he would suppose calculated to exalt his name in India. The liberality could be no deduction from the resources of the state, since, as we have explained, no representation could ever prevail on the Nizam to advance a particle of that private treasure for the relief of the Government; and we have shewn that the contribution was essentially due to the Honourable Company.

Bengal Secret Consultations. 13 Jan. 1821.

7. Delays, occasioned by new computations (for the purpose of exchanges), as to the value of districts to be assigned to the Nizam, fortunately retarded, till very lately, his Highness' being touched upon the point in question. It is a great satisfaction to us, in expressing our obedience to your orders, that no actual receipt has taken place in contravention of your pleasure. Immediately after the perusal of your letter, injunctions were dispatched to the Resident not to let the matter be broached to his Highness. They arrived a few days too late: the suggestion had been made to the Nizam by his Minister, and his Highness instantly declared his most cordial assent to the proposition. An article notifying his spontaneous boon, in token of gratitude for experienced benefits, was sent by him for our approbation of its being inserted in the treaty. A copy of it is enclosed. We shall profess a due sense of his Highness's generous wish, but shall, consonantly to your commands, decline acceptance.

We have, &c.

(Signed) HASTINGS,
J. ADAM,
JOHN FENDALL.

Fort-William,
13th January 1821.

Article referred to in the preceding Letter.

His Highness the Nizam, contemplating the great benefits which he has reaped from the late military operations, in the extension of his rule, the protection of his people, and the security of his dominions, and being anxious to manifest his sense of those advantages, desires to contribute the sum of sixteen lacs (payable by annual instalments of four lacs, till the amount be completed), to be expended for public purposes in the capital city of Calcutta and the neighbouring pergunnahs, on the condition that the expenditure of that sum for those purposes shall take place according to the will and judgment of his Excellency the Governor-General in Council.

LETTER *from the* CHAIRMAN *to* HENRY RUSSELL, Esq. late Resident at Hyderabad,

Dated East-India House, the 29th August 1821.

Letter from the Chairman to Henry Russell, Esq.

The Chairman of the East India Company presents his compliments to Mr. Russell, and requests Mr. Russell to inform him whether the arrangement entered into, in the early part of 1818, between Rajah Chundoo Loll, the Nizam's Minister, and the house of Messrs. William Palmer and Co., for the payment of his Highness's regular battalions and reformed horse in Berar, had ceased, or whether it was still in operation, when Mr. Russell quitted Hyderabad.

Henry Russell, Esq., at Henry Porter's, Esq.
Mount Radford, Exeter.

LETTER *from* MR. RUSSELL *to the* CHAIRMAN.

Dated Dawlish, Devon, 31st August 1821.*

Letter from Mr. Russell, in reply.

Mr. Russell has the honour to acquaint the Chairman, in reply to his inquiry, that the arrangement entered into between Rajah Chundoo Loll and the house of Messrs. William Palmer and Co. in 1818, for the payment of the Nizam's regular battalions and reformed horse in Berar, was still in operation, when Mr. Russell quitted Hyderabad, in December last.

Mr. Russell

* Referred to in page 82.

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Letter from Mr. Russell.

Mr. Russell will be in town early in October, when he will be happy, if necessary, to wait on the Chairman, and to furnish any information which he may be desirous of obtaining, on this, or any other point connected with the affairs of Hyderabad.

The Chairman of the East India Company,
London.

EXTRACT BENGAL POLITICAL CONSULTATIONS,
The 22d February 1817.

Bengal Political Consultations, 22 Feb. 1817.

EXTRACT *Letter from Mr. Russell, the Resident at Hyderabad, to Mr. Secretary Adam, dated 30th December* 1816.*

Letter from Resident at Hyderabad.

Par. 10. For the pay of the 3,000 Sirkar horse in Berar, an arrangement has been made by Rajah Govind Buksh, who has engaged that they shall not be more than one month in arrear; the pay of January, for instance, being issued on the 1st March: and, for the payment of the Sirkar horse that have gone from Hyderabad, the house of Messrs. William Palmer and Co. agreed with Rajah Chundoo Loll to provide the monthly sum of 52,000 rupees at Aurungabad. The jagheerdars will be required to pay their troops with equal punctuality; and, as the greater part of them belong to Salabut Khan, I trust that no serious difficulties will arise on this point.

EXTRACT BENGAL POLITICAL CONSULTATIONS,
The 7th December 1819.

Bengal Political Consultations, 7 Dec. 1819.

EXTRACT *Letter from Mr. Russell, Resident at Hyderabad, to Mr. Secretary Metcalfe, dated 9th October* 1819.†

Letter from the Resident at Hyderabad.

Par. 19. No account of the receipts and disbursements of the Government has been prepared since that for 1813-14. The Minister is the only person who possesses the necessary materials for such an account; and Rajah Chundoo Loll, even if he were called upon and would consent to furnish it, would probably exhibit a statement, on the fidelity of which partial reliance only could be placed. Knowing, as he does, that the embarrassments of the Government are urged as a charge against his administration, he would consider every addition which he admitted in the amount of the deficit, as an aggravation of the proofs of his own misconduct.

20. For the same reason, it would be impracticable to procure an accurate statement of the public debt; but I should think it may be computed at about fifty lacs of rupees. From the circumstances in which the Government has been placed during the last twenty years, the sum might be expected to be much larger; but governments without faith are necessarily without credit. The Minister and his predecessors, if they could have commanded the means, would certainly have involved the Government more deeply than they have done: but of those who possess money in the Nizam's country, the greater number secrete it, and the Minister can seldom make any loans but such as he is able to extort.

21. Against this debt, also, is to be placed the amount of the Nizam's personal treasure. His jewels are probably equal in value to those of any sovereign in the world: in bullion he has not, I imagine, above a crore and a half of rupees. But if he had the wisdom to see, and the spirit to discharge his duty to himself and his subjects, he could at once relieve his Government from its difficulties: or if a provision were made with his successor, that he should begin his reign by discharging the public debt, and consenting to a reform in the conduct of his affairs, the Government might be restored to a flourishing condition, and placed upon a footing of solid and permanent prosperity.

SECRET

* Referred to in page 71.

† Referred to in page 81.

SECRET LETTER *to* BENGAL,
Dated 5th December 1821.

Secret Letter to Bengal, 5 Dec. 1821.

1. We have received your despatch of the 13th January last, in answer to that which we addressed to you on the 22d June 1820, in reference to the proposed advance of money from the Nizam.

2. The loans negociated with the Nizam, under your sanction, by the British commercial house at Hyderabad having been under the consideration of the Court of Directors, we have communicated to that Court your despatch of the 13th January, in order that the whole subject of pecuniary transactions with the Nizam, in which the British Government is in any way concerned, might be treated in one despatch; and we have to express our full concurrence in the observations upon these subjects, which are contained in the political despatch from the Court of Directors, dated on the 28th ultimo.

3. In reference, however, to the topics of your letter of the 13th January, which more particularly arose out of our former despatch, we are sorry to observe that the explanation which you have given of your motives for addressing to the Chairman, rather than to us, the information contained in Lord Hastings' letter of the 21st December 1819, is far from satisfactory. Without adverting again to the importance of the matter to which the letter referred, it may be sufficient to remind you, that it placed in the power of an individual, the correspondence between the head of the Government in India, and its official representative at a foreign court; and your irregularity consisted, not only in failing to transmit those documents to us, but in communicating them to any other person. At the same time we have no doubt it was only through inadvertence that you overlooked the intimation, which, however, we have of late taken repeated occasions of conveying to you, that the Chairman of the Court, the President of the Board of Commissioners, and all other persons, except this Committee and the Court of Directors, are, in reference to the correspondence of the Indian Governments, only private persons.

4. We cannot imagine the distinction between the public and private treasury of the Nizam, so far as to be induced to retract the observations which we made on the inconsistency of seeking, or even accepting money from a foreign prince, the necessities of whose Government you were at the same time supplying, by means inconsistent with the general principle of your Government, contrary to our repeated orders, and tending to perpetuate the embarrassments of the State itself.

5. If the Prince himself, having at this moment the means of relieving his own Government from a part of these embarrassments, preferred, through a strange perversion, the method of borrowing money at a high interest from individuals, it was surely incumbent upon you rather to use your influence in persuading him to a wiser administration of his affairs, than to encourage him in his imprudence by consenting to derive advantage from the misapplication of his revenues.

6. As to the grounds upon which you state your claims to a concession from the Nizam, we must observe that we cannot approve of an attempt to recover from a weaker ally, by persuasion, any portion of a political advantage regularly given to him, though subsequently deemed improvident or excessive. The only legitimate object with which it could be right to remodel the arrangement, by which the Nizam had profited, would surely have been that of securing to the Hyderabad state the benefits of your former concession, in such manner as to augment the prosperity and stability of the Government. Any other course, however innocent in its true motives, must be liable to the suspicion of originating in an intention to enhance the difficulties of the Government of an ally, with a view to its annihilation.

7. While we think it necessary, in explanation of our former instructions, to make these observations, we recognize with satisfaction the promptitude with which you have carried those instructions into effect; and we trust that your future transactions with the Nizam will be conformable to the policy which we desire to pursue towards the Princes of India who still retain their sovereignty.

EXTRACT

EXTRACT POLITICAL LETTER *to* BENGAL,

Dated 9th April 1823.

Political Letter to Bengal, 9 April 1823.

Par. 2. With reference to our letter to you from this department, dated 28th November 1821, we transmit for your information and guidance, copy of a case which we have caused to be submitted to his Majesty's Attorney and Solicitor-General and the Company's Counsel, regarding loans by British subjects to Native Princes in India, with their opinion thereon.

3. You will observe, that we are advised by these high legal authorities, that the restriction contained in the 30th section of the Act, 13 Geo. III., cap. 63, which restrains the rate of interest to twelve per cent., extends to contracts made as well in those parts of the East-Indies which are not under the Government of the East-India Company, as in those which are:—that the same restriction extends to loans made to Native Princes and Governments in the East-Indies, as well as to those made to individuals, whether the contracts for such loans be made or carried into execution within or beyond the territories under the Government of the East-India Company:—that the same restriction extends to loans made under a license from the Governments in India, pursuant to the 37th Geo. III. cap. 142, sec. 28, and that it is not lawful for a mercantile or banking partnership, consisting partly of natives of India and partly of European-born subjects of his Majesty, to make a loan to a Native Prince, contrary to the provisions of 37 Geo. III, cap. 142, sec. 28, whether the contract for such loan be made or carried into execution within or beyond the territories under the Government of the East-India Company:—that, in either case, the contract of the house would be void; and that the European-born partners would be liable to be prosecuted for a misdemeanour.

4. We desire that you will cause this explanation and instruction to be made public, and that you will institute prosecutions against all persons in any way contravening the law as thus explained.

CASE

For the East-India Company.

(13th Geo. III. cap. 63, sect. 30.) "And be it further enacted by the authority aforesaid, That no subject of his Majesty, his heirs and successors, in the "East Indies, shall, upon any contract which shall be made, from and after the "said first day of August 1774, take, directly or indirectly, for loan of any "monies, wares, merchandize, or other commodities whatsoever, above the value "of £12 for the forbearance of £100 for a-year, and so after that rate for a "greater or lesser sum, or for a longer or shorter time; and that all bonds, "contracts, and assurances whatsoever, made after the time aforesaid, for payment of any principal or money to be lent, or covenanted to be performed, "upon or for any usury, whereupon or whereby there shall be reserved or "taken above the rate of £12 in the hundred as aforesaid, shall be utterly "void: And all and every such person or persons whatsoever, who shall, after "the time aforesaid, upon any contract to be made after the first day of August "1774, take, accept, and receive, by way or means of any corrupt bargain, "loan, exchange, shift, or interest of any wares, merchandizes, or other thing "or things whatsoever, or by any deceitful way or mean, or by any cover, "engine, or deceitful conveyance for the forbearing on given day of payment "for one whole year, of and for their money or other thing, above the sum of "£12 for the forbearing of £100 for a year, and so after that rate for a greater "or lesser sum, or for a longer or shorter term, shall forfeit and lose for every "such offence treble the value of the money, wares, merchandizes, and other "things, so lent, bargained, exchanged, or shifted, with costs of suit, one "moiety thereof shall be given to the said United Company, and the other "moiety to him or them who will sue for the same in the said Supreme Court "of Judicature at Fort William in Calcutta, or in the Mayor's Court, or in any "other of the said United Company's settlements where such offence shall have "been committed, by action of debt, bill, plaint, or information, in which no "essoin, wager of law, or protection shall be allowed: And in case no such action

"action, bill, plaint, or information, shall have been brought and prosecuted "with effect within three years, that then it shall and may be lawful to and for "the party aggrieved to sue and prosecute for recovery of all sums of money "paid, over and above such rate of interest."

33d Geo. III. cap. 52, sec. 67, enacts, "That all his Majesty's subjects, as "well servants of the said United Company as others, shall be, and are hereby "declared to be amenable to all courts of justice, both in India and Great "Britain, of competent jurisdiction to try offences committed in India, for all "acts, injuries, wrongs, oppressions, trespasses, misdemeanours, offences, and "crimes whatsoever, by them or any of them done, or to be done or committed, "in any of the lands or territories of any Native Prince or state, or against "their persons or properties, or the persons or properties of any of their "subjects or people, in the same manner as if the same had been done or com-"mitted within the territories directly subject to, and under the British Govern-"ment in India."

(37th Geo. III. cap. 142, sec. 28.) "And whereas the practice of British "subjects lending money, or being concerned in the lending of the same, or in "transactions for the borrowing money for, or lending money to, the Native "Princes in India, has been productive of much mischief; and is the source of "much usury and extortion; And whereas the wholesome orders of the Court "of Directors of the United Company of Merchants trading to India have "not been sufficient to restrain and repress the same; And whereas it is highly "desirable that such practices should be prevented in future: Be it therefore "enacted, That from and after the first day of December next, no British "subject shall, by himself or by any other person, directly or indirectly "employed by him, lend any money or other valuable thing to any Native "Prince in India, by whatever name or description such Native Prince shall be "called; nor shall any British subject, either by himself, or by any other "person, directly or indirectly employed by him, be concerned in the "lending any money to any such Native Prince; nor shall any British "subject be concerned either by himself, or by any other person, either "directly or indirectly, in raising or procuring any money for any such "Native Prince, or as being security for such loan or money; nor shall "any British subject lend any money or other valuable thing to any other "person, for the purpose of being lent to any such Native Prince; nor shall "any British subject, by himself or by any other person, either directly or indi-"rectly, for his use and benefit, take, receive, hold, enjoy, or be concerned in "any bond, note, or other security or assignment, granted or to be granted by "any such Native Prince after the first day of December next, for the loan or "for the repayment of money or other valuable thing, without the consent and "approbation of the Court of Directors of the East-India Company, or the "consent and approbation of the Governor in Council of one of the said "Company's Governments in India, first had and obtained in writing: And "every person doing, acting, or transacting, or being concerned in any actings, "doings, and transactions, contrary to this Act, shall be deemed and taken to "be guilty of misdemeanor at law, and shall and may be proceeded against and "punished as such, by virtue of this Act, before any court of competent juris-"diction, and all bonds, notes, assignments, or securities for money, of what "kind or nature soever, taken, held, or enjoyed, either directly or indirectly, "for the use and benefit of any British subject, contrary to the true intent "and meaning of this act, shall be, and the same are hereby declared to be null "and void, to all intents and purposes."

(53d Geo. III., cap. 155, sec. 55.) "And be it further enacted, That for and "during the continuance of the possession and government of the said terri-"torial acquisition and revenues in the said United Company, the rents, re-"venues, and profits arising from the said territorial acquisitions, after de-"fraying the charges and expense of collecting the same, shall be applied and "disposed of, to and for the uses and purposes hereinafter expressed, in the "following order of preference, and to and for no other use or purpose, or in "any other manner whatsoever, any Act or Acts of Parliament now in force "to the contrary notwithstanding, (that is to say); In the first place, in de-"fraying all the charges and expenses of raising and maintaining the forces,

Case for the Opinion of the Attorney-General, &c.

"as well European as native military, artillery, and marine, on the establishments, in the East-Indies and parts aforesaid, and of maintaining the forts and garrisons there, and of providing warlike and naval stores: Secondly, in payment of the interest accruing on the debts owing, or which may be hereafter incurred by the said Company in the East-Indies or parts aforesaid, including that portion thereof for which bills shall be demanded payable in England, and for which provision shall at all times be made, by consignments or remittances to England, as the said Court of Directors, with the approbation of the said Commissioners for the Affairs of India, shall from time to time direct: Thirdly, in defraying the civil and commercial establishments of the said Company at their several settlements there: Fourthly, towards the liquidation of the territorial debt of the said Company, or of the bond debt at home, or to such other purposes, subject to the provision hereinafter made, as the said Court of Directors, with the approbation of the Board of Commissioners for the Affairs of India, shall from time to time direct, any Act or Acts of Parliament to the contrary thereof notwithstanding."

Your opinion is requested:

First. Whether the restriction on the rate of interest for the use of money, by 13th Geo. III, cap. 63, sec. 30, relates to contracts made in countries or states in the East-Indies, which are not within the territories under the Government of the East-India Company?

Second. Whether the 13th Geo. III, cap. 63, sec. 30, extends to loans to Native Princes or Governments, as well as to loans to individuals? Whether the contracts for such loans to Native Princes or Governments are made, or carried into execution, within or beyond the territories under the Government of the East-India Company?

Third. Supposing a loan to be made by a British subject to a Native Prince in India, with the consent and approbation of the Governor in Council of one of the Governments in India first had and obtained, in writing, without any specification of the rate of interest for such loan, would the rate of interest be limited by 13th Geo. III, cap. 63, sec. 30, whether the contract for such loan were made or carried into execution within or beyond the territories under the Government of the East-India Company; and, in either case, can the Governor in Council of any of the Company's Governments in India legally authorize the lender to take a rate of interest exceeding twelve per cent. per annum?

Fourth. Supposing a mercantile banking-house to consist of natives of India and British-born subjects of his Majesty, in partnership together, is it lawful for such house to make a loan to a Native Prince, contrary to the provision of 37 Geo. III, cap. 142, sec. 28, whether the contract for such loan be made or carried into execution within or beyond the territories under the Government of the East-India Company? and, in either case, would the house, or the several partners, natives or British-born, be subjected by any such loan to any penal consequences or forfeitures?

The power of the Company's Governments in India to raise money by way of loan, is neither limited, defined, nor regulated, by any Act of Parliament or charter: the exercise of such power has been repeatedly recognized, and implicitly sanctioned by many Acts of Parliament.

Your opinion is requested:

Fifth. Whether the Company's Governments in India may lawfully make loans out of money arising from territorial revenues to Native Princes? or may they raise money by loan, to be lent, on the part of the Company, to Native Princes; or may they guarantee to persons willing to lend money to Native Princes, the payment of either principal or interest of the money to be lent? And whether, in such case, they may, consistently with the appropriation by 53d Geo. III, cap. 155, sec. 55, of the rents, revenues, and profits of the territorial acquisitions in the East-Indies, apply a sufficient part of such rents, revenues, and profits, to the discharge of the principal or interest of such loan?

1st.

1st. Referring to the above statutes of the 13th Geo. III, cap. 63, sec. 30, and the 33d Geo. III, cap. 52, sec. 67, we are of opinion, that the restriction on the rate of interest extends to contracts made, as well in those parts of the East-Indies which are not under the Government of the East-India Company as in those which are.

Case for the Opinion of the Attorney-General, &c.

2d. That the restriction of the 13th Geo. III, cap. 63, sec. 30, extends to loans made to Native Princes and Governments in the East-Indies, as well as to those made to individuals, whether the contracts for such loans be made or carried into execution within or beyond the territories under the Government of the East-India Company.

3d. That, if a loan be made by a British subject to a Native Prince in the East-Indies, with the consent and approbation of the Governor in Council of one of the Company's Governments, first had and obtained in writing, pursuant to the 37th Geo. III, cap. 142, sec. 28, but without any specification of the rate of interest to be taken for such loan, the rate of interest will be limited by the 13th Geo. III, cap. 63, sec. 30, whether the contract for such loan be made or carried into execution within or beyond the territories under the Government of the East-India Company: and that the Governor in Council could not, in either case, legally authorize the lender to take a rate of interest exceeding twelve per cent. per annum.

4. That it is not lawful for a mercantile or banking partnership, consisting partly of natives of India and partly of European-born subjects of his Majesty, to make a loan to a Native Prince, contrary to the provisions of 37th Geo. III, cap. 142, sec. 28, whether the contract for such loan be made or carried into execution within or beyond the territories under the Government of the East-India Company: that, in either case, the contract of the house would be void, and that the European-born partners would be liable to be prosecuted for a misdemeanour; but we have some doubt whether the native partners would be subject to any punishment.

5th. We are also of opinion, that the Company's Governments in India cannot, consistently with the directions of the 53d Geo. III, cap. 155, sec. 55, appropriate the territorial revenues of India in the way of loan to Native Princes: and as they cannot lawfully do so directly, they cannot lawfully borrow money for the purpose of being lent, or guarantee the payment of either principal or interest to the lenders, so as eventually to charge the territorial revenues with the burthen of such loans.

(Signed) R. GIFFORD,
J. S. COPLEY,
J. B. BOSANQUET.

Lincoln's Inn,
30th August, 1822.

LETTER *from the* MARQUIS OF HASTINGS *to the* CHAIRMAN,
Dated 20th October 1822.

Letter from the Marquis of Hastings, 20 Oct. 1822.

The Honourable the Chairman of the East-India Company, &c. &c. &c.

Honourable Sir:

The letter from the Honourable Court, dated the 28th November 1821, is a body of such serious charges against me, that, in justice to myself, I must enter formally upon an explanation of circumstances which have been strongly miscomprehended. Where the animadversions are only impeachments of my judgment, I feel it incumbent on me to bow to the censure with entire submission: where the Honourable Court impugns my constitutional principles, and assigns to me incorrect motives, a greater degree of latitude may equitably be allowed.

Not meaning, for reasons which shall be given hereafter, to follow the exact series of the Honourable Court's observations, I hasten to the article which is meant to affect me the most materially. In paragraph 53, the Honourable Court is pleased to charge me with assuming the power of setting aside its authority, and claiming for myself a privilege of action subversive of the system

Letter from the Marquis of Hastings, 20 Oct. 1822.

system established by the Legislature for the administration of affairs in these territories. I beg leave to disclaim the ever having harboured a pretension to powers of such a description. The sense which I believe myself to entertain of my public duty towards my country, and of my solemn engagements to the Honourable Court, would, I trust, suffice to prevent my indulging a license of that nature, through any fallacious views of momentary expedience. Confident, still further, that the warmest recognition of special obligation to the Honourable Company is never absent from my mind, I may assert, that my gratitude, operating with common-place honesty, renders it totally impossible I should ever, in thought or deed, have invaded the Honourable Court's supremacy. The charge, however, is broadly made; and my simple asseveration cannot be accepted, to balance the detailed reasoning by which crimination is attached to me. It will, indeed, be shewn, that the fact on which the argument is founded has been altogether misapprehended: yet as so forced and arbitrary a conclusion would not be deduced, even had the fact been literally as was imagined, unless the charge referred to some habitual disposition in me, the existence of that disposition shall be brought to the test. I shall call upon the Members of Council to declare, as men of honour, whether they have ever discovered in me any management, or apparent inclination to evade an order from the Honourable Court, which could, without distinct injury to the Honourable Company's service, be fulfilled? Whether, in the case of instructions from the Honourable Court, the most irreconcileable to existing circumstances, consequently the most embarrassing, they have ever heard me remark on the inapplicability of the orders with any irreverent levity? whether, on the contrary, they have not observed in me an invariable solicitude to warp the exigencies of the juncture, as far as possible, to the Honourable Court's wishes, so as that the latter might be satisfied to the utmost extent safely practicable? Having premised this intention, I proceed to detail the matter on which so extravagantly unfavourable a structure has been raised.

The charge against me rests upon my having adopted a course of procedure, on grounds which I studiously, and almost avowedly, withheld from the Honourable Court. As a basis for that supposition, it is assumed that Sir William Rumbold was examined before the Council, regarding the particulars of the dealings between the house of William Palmer and Co. and the Nizam's Government. No such examination took place: of course, the suppression of information given by Sir William Rumbold on that occasion is inaccurately presumed. It would have been idle to require from Sir William Rumbold expositions already before the Board in various documents, and sifted in repeated discussions. The appearance of Sir William Rumbold was demanded by me, that I might put to him a single question. To explain this, I am compelled to state the circumstances of that sitting: I do it with pain, but I have no option.

To all in this country it would be absurd to expatiate on the character of John Palmer, Esq.; but, since the statement is meant for submission to the Honourable Court, it is not superfluous to mention, that the above gentleman is at the head of the British mercantile interest in India, and that he is not more distinguished by that pre-eminence,* than by the strict and manly cast of his uprightness. By the communication which he has, on my requisition, made to the Council, it appears that he had informed me of a very grave doubt expressed respecting the probity of Mr. Russell. The suspicion purported no less, than that Mr. Russell had been secretly leagued with the house of William Palmer and Co. in negociating the Aurungabad and the last loan, whence exorbitant profit was to be drawn from the Nizam. It had long before been imparted to me by several persons, that Mr. Stuart was strongly prejudiced against Mr. Russell, through artful misrepresentations from the father of a Moonshee whom Mr. Russell had dismissed for malpractices; but I had, till then, never imagined that any one could listen to an imputation on Mr. Russell's integrity. Though I was entirely unacquainted with that gentleman, all I had heard of his character made me confident the surmise had been loosely hazarded. Nevertheless, when such an accusation was hinted against a person holding an important trust, a public duty obviously forbade my suffering such an insinuation to sleep uninvestigated; and I expressed that sentiment energetically

* See Appendix, No. I. at the end of this Letter.

torial charge, were effected by commercial funds, it is obvious that the commercial branch would have a claim upon the territory for repayment; which claim, if not satisfied, as it assuredly would have been, when the Company should cease to hold the territory, if that time should ever arrive, must then be satisfied by authority of Parliament. But if the transaction is altogether territorial, that is, the appropriation of territorial funds to the reduction of a territorial charge, it is to be viewed only as it may be more or less advantageous to the territorial finance of British India, through whatever channel administered. Political Letter to Bengal, 21 Jan. 1824.

53. Measures, however, affecting the general administration of territorial finance, ought not to be adopted, without reference to us. You will recollect that, in that important branch of the administration, we must act with the concurrence of the Board of Commissioners, whose authority is entirely superseded when measures are completed in India.

54. We are ready to admit, that our great distance from the country committed to our governance, requires us to place no inconsiderable share of discretion in those by whom the Government is actually administered. Emergencies may arise, in which it may be your paramount duty to act, not only without reference to us, but even in contradiction to positive instructions, issued without any contemplation of the new occurrence. Even where the distance is less considerable, this duty of discretionary action may exist; as in the case of one of the Governments subordinate to you, or of inferior civil or military officers. The same liberal construction which you will doubtless put upon the apparent disobedience of one of these functionaries, we shall always extend to you; but we shall feel it our duty to require from you, as you, we are satisfied, require of those under you, two indispensable conditions: First, That the emergency be undoubted; that is, that the occurrence be one either clearly without the contemplation of the superior, or so inadequately provided for as to leave the public interests in imminent danger: Secondly, That the measure which assumes the emergency for its justification, shall not go beyond that which the emergency requires.

55. This latter condition has been too frequently neglected. Measures have been adopted, which, to a certain extent, it was impossible to avoid; but which have been so framed as unnecessarily to derange the ordinary course of things, and even to commit us to permanent and burthensome engagements. Sometimes we can only correct those unauthorized proceedings by measures involving great hardship to individuals; sometimes they interfere with other arrangements contemplated by us, or with orders actually on their way to India, whence a second case unprovided for by instructions necessarily arises. We earnestly hope that no such case may occur; and that your administration will be entitled to the confidence and support which we are always disposed to afford to our Governments in India.

56. The result of the discussion in 1821 was, that neither the proposition of Sir Charles Metcalfe nor that of Mr. Fendall was adopted.

57. Here we must observe, that had the Minutes above noticed been recorded and transmitted to us, as they ought to have been, when they were delivered in, we should have had an opportunity which has been denied to us, of communicating to you our opinion and decision on the questions therein discussed.

58. We feel it necessary most positively to direct, that in future all Minutes delivered in by any Member of Council may be recorded without delay, and communicated to us, if of no great importance in the ordinary progress of the consultations; but if of much moment, by the first opportunity which occurs.

59. The representation contained in Sir Charles Metcalfe's letter, dated the 16th October 1822, seems to have led to a renewal of the discussion in council in November last, when it was unanimously resolved, after receiving the opinion of your Accountant-General, to advance a loan from the Company to the Government of his Highness the Nizam, to the extent of a crore of rupees, at six per cent. interest, on the security of the peshcush of seven lacs of rupees, and of certain pergunnahs, the revenues of which should be mortgaged by his Highness to the Company, so as to effect the liquidation of the loan in

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six or seven years, on at furthest before the termination of the Company's charter.

60. The letter from Mr. Swinton to the Resident at Hyderabad, dated the 23d November 1822, appears to us to contain a number of judicious instructions, as to the mode of giving effect to your resolution; although we think that the interests of Messrs. William Palmer and Co. have been guarded with greater care than those of the Nizam's Government. But it is natural for us to ask, what circumstances rendered a proceeding expedient in November 1822, which was negatived by the Governor-General in Council in July 1820 and in August 1821; especially when it is considered, that the object of the loan resolved on in November 1822, might have been accomplished by the loan of a smaller sum the year before, and of a much smaller sum two years sooner?

61. The deterioration of the Nizam's affairs in the intermediate period would not be a satisfactory reason, because this deterioration might easily have been foreseen; and if it was right to endeavour to remedy, it was incumbent on you to try to prevent it.

62. If a loan to the Nizam was illegal in 1820 and 1821, it could not be legal in 1822. But an inference was drawn by the late Governor-General from our despatch of the 28th November 1821, of our disposition to sanction a grant of pecuniary aid to our ally. "The last letter of the Honourable Court, rela-"tive to the transactions of Messrs. William Palmer and Co. with the Nizam's "Government," says the Marquess of Hastings, in his Minute of the 14th November 1822, "makes me feel authorized to extend an accommodation, "which I should not otherwise have considered within the bounds of my "duty. When the Honourable Court expresses regret that means had not been "devised which would have given it the credit of assisting its ally, the inference "is clear, that the temporary application, for such a purpose, of money lying idle "in the treasury, therefore disposable, for a certain interval, without incon-"venience to the Honourable Company, would be approved. Were not the "conclusion so distinct, I could not hold myself justified in furnishing aid "from those funds even for a specified period." We certainly never intended to convey to you any authority of the nature described; nor do we find, on turning to our despatch of the 28th November, any expression from which such an inference can be fairly drawn. So far from "expressing regret that "means had not been devised which would have given us the credit of assist-"ing our ally," we directly guarded against any inference to that effect, in the sixty-fourth paragraph of the despatch referred to, which ran thus. "We "desire not to be understood as expressing regret, that you did not lend the "credit of our Government to Rajah Chundoo Loll on the occasion in ques-"tion. Whether, in any circumstances, such a proceeding might be allowable, "it is needless now to discuss. But we have no hesitation in declaring, that "the information contained in Mr. Russell's letter of the 19th May 1820, "and its enclosures, far from being of a nature to warrant you in entertain-"ing an extreme proposition of this sort, did not justify you even in giving "your sanction to the loan of sixty lacs, imperfectly acquainted as you were "with the state of the Nizam's finances, and the mode in which the money, "when obtained, was meant to be applied."

63. So far, indeed, were we from being prepared to sanction a loan to the Nizam from the Company's treasury, that we always participated in the doubts entertained by the late Governor-General of its legality; doubts which you will have perceived, from the case and opinion forwarded to you with our despatch * of the 9th April last, were well founded. We cannot account, therefore, for the late Governor-General having put a construction on our despatch of the 28th November 1821, so foreign to its real meaning and intention. But, if it was considered open to the construction put upon it by the Marquess of Hastings, we are surprized that it was not acted upon sooner. It reached you in the beginning of May 1822, and if the loan to the Nizam had been determined on then instead of in November, eighteen per cent. interest for six months on the debt due to Messrs. William Palmer and Co., would have been saved to his Highness's Government.

64. Sir Charles Metcalfe, in his letter dated the 27th December 1822, states that Rajah Chundoo Loll, instead of accepting a crore, which you had offered him,

* See page 104.

him, declined taking more than eighty-five lacs; and that, for the repayment of the latter sum, he proposed to assign the annual peshcush of seven lacs due from the Company, and territory yielding a revenue of six lacs, which he had agreed to your taking under your immediate management, in the event of his failing annually to pay the estimated value. Sir Charles Metcalfe does not state that the Minister had consulted his master on the subject of this arrangement. That is entirely a question between *them:* but we confidently trust that no arrangement, of so important a character as that proposed between the British and the Nizam's Government, will be carried into effect, until it has received his Highness's formal assent.

65. We do not see how a loan of eighty-five lacs can suffice to pay off debts stated to amount to one hundred and twenty-nine lacs, unless large sums claimed as due by the creditors of the State are to be disallowed; and we trust that, before making any advance to the Minister, you will have satisfied yourselves, not only that the money will be properly applied, but that it will answer the purpose for which it was intended, and specifically, the final extinction of all connection between the house of Messrs. William Palmer and Co. and the Nizam's Government.

66. We trust, also, that the accounts of Messrs. William Palmer and Co. with the Government will be strictly investigated; and whilst you endeavour to distinguish between just and exorbitant demands, it will be right to apprize the house of the consequences to which they render themselves liable, by exacting a rate of interest beyond twelve per cent.

67. On the whole, we consider the expedient proposed by Mr. Fendall, of redeeming the peshcush payable by the Company to the Nizam, to have been greatly preferable to a loan; and we observe with satisfaction, from your more recent letter of the 7th March last, that you are of the same opinion. It is exempt from the legal objection to which the loan was open; it will save the Nizam the mortification of mortgaging a part of his country; and it will not expose the British Government to the possible suspicion, however unjust and unfounded, of establishing claims on territory, for the purpose of eventually getting possession of it.

68. We will not now disturb this arrangement; but we feel it our duty pointedly to reprobate the adoption of a measure so important, without reference to us. If it constituted a justifiable appropriation of surplus revenue, such appropriation could not legally be made without our sanction; and if it be considered as a part of our political expenditure, prior to the calculation of surplus, the proceeding is one of questionable legality, and an unwarrantable exercise of discretion, in a case in which the additional delay required for a reference to us could not have produced material inconvenience.

6th *General considerations affecting our practical policy in regard to the Nizam and other native Princes, suggested by the information derived from the correspondence between the Bengal Government and the late and present Residents at Hyderabad.*

69. Important as are the transactions of the house of Messrs. William Palmer and Co. with the Nizam's Minister, both as they affect the interests of his Highness's State and the credit and character of the British Government, there still remains for consideration a question of far greater importance, and far greater difficulty than any which they suggest: a question, which, sooner or later, would have required attention, even if that house had never existed, because it has grown out of the system of policy which has been pursued by us in regard to the Nizam, during a long period of time, although the crisis which has forced it into present discussion has doubtless been accelerated by the transactions of that mercantile firm. The question to which we allude is no other than this: By what means can the Government of our ally be saved from dissolution, and the character of a substantive power be preserved or restored to the State of Hyderabad? In the successful solution of this problem, however perplexing and beset with difficulties it may be found, both our honour and interests are deeply involved.

70. The extinction of the Nizam's Government, the great evil to be apprehended, and the consummation of which we have most sincerely at heart to

prevent

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prevent, may be brought about in two ways. It may be subverted, should we withdraw our support from it, or it may be superseded by our active intervention.

71. The probability of its subversion in the event of our withdrawing our support, is founded on the reigning Prince's alleged inaptitude for discharging the duties of a ruler, the state of his family, and the chances of a struggle among his sons for the succession; the habit in the Government of depending on foreign aid, and its consequent supposed disability for independent action if left to itself; and lastly, the corruption which pervades the whole system of internal administration, and which, in order to find the means of gratification, might, if unchecked by us, resort to measures so intolerably oppressive, as to excite the people to resistance, and thereby throw the country into a state of inextricable confusion and anarchy, at once incompatible with the stability of its own Government and the tranquillity of its neighbours.

72. From the Minutes recorded by the Members of the present Government, it appears to us that, whilst they overrate the danger of withdrawing, and the immediate advantage of actively interfering in the Nizam's internal administration, they are not sufficiently impressed with the consequences to which the latter course may eventually lead.

73. A desire to secure the objects of the alliance, and to render the connexion subservient to British interests, led originally to our interference in the Nizam's internal Government; and an apprehension, whether well or ill-founded, that we cannot withdraw that interference with safety to the interests of either State, has been given by Sir Charles Metcalfe as a reason, not only for continuing but greatly extending it.

74. The policy of this extended interference, consisting not merely in a vigilant control, on the part of the Company's Resident, over the different branches of internal administration, but in an active concern and participation in all its details, has been advocated by Sir Charles Metcalfe, Mr. Adam, Mr. Fendall, Mr. Bayley, and latterly by Mr. Harington, since his accession to a seat in Council, as absolutely necessary to secure that reform, which they deem indispensable to the salvation of the state; whilst, on the other hand, it has been condemned by the late Governor-General as a deviation from the line of conduct which had been prescribed to the Resident, as an unwarrantable infringement of the just rights of the Nizam, and as more likely to defeat than to promote the object which it professed to have in view.

75. In many of the general observations contained in the Minute of the Marquess of Hastings, dated the 19th December 1822, we are disposed to concur; but we cannot help observing, that the objections so forcibly urged by his Lordship against a direct interference in the civil administration of the Nizam, apply with equal justice to the measures which have been adopted for some years past, with the view of improving the discipline and efficiency of his Highness's army: measures which, notwithstanding the disapprobation of them expressed in the despatch from our Secret Committee of the 3d April 1815, have been persevered in and extensively applied, both at Hyderabad and Nagpore, and were defended in your Political letter dated 3d June 1820, on the ground that the reformed corps, as they are called, "become in effect "part of our army."

76. The Marquess of Hastings may have been right, in considering all apprehensions of political danger to us from the system in question, as unfounded, and the contrast which had been drawn in the Secret Committee's despatch of 1815, between the subsidiary system and the system of officering the native troops, as not supported by facts: but it would not follow, that after having taken on ourselves to defend the territories of our allies, as we have done, by our subsidiary treaties, we should also undertake the training and officering of the troops which they employ chiefly in the performance of municipal duties; neither can we conceive how the latter system can be reconciled with the argument against direct interference in the Nizam's affairs, so ably maintained in his Lordship's Minute of the 19th December last.

77. In

"affording every proper degree of countenance to the proposed commercial "establishment of Messrs. William Palmer and Co., consistently with the pro- "visions of the treaty, and of your recommending it to the favourable consi- "deration of the Nizam's Government."

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From the above letter it will appear, that the degree of favour extended in this step, was simply the protection which this Government must have been solicitous to secure for any British subject, European or native, temporarily residing with its permission in that country. Proofs of undue partiality must, consequently, be sought in some further stage.

The next was, as has been mentioned, what took place in 1816. The complicated dealings of the Nizam's Government with the house of William Palmer and Co., for arms, stores, &c., where the payment was made in tunkhas, or assignments, on the revenues of districts, which the collectors often found means to delay discharging, imperceptibly produced a species of account bearing a more direct pecuniary character. Reflection on this circumstance led the firm to apply for such an authorization* from Government as should legalize transactions of that nature. Government could not sanction retrospectively: but it could, and did, after strict examination, declare its being satisfied with the fairness and integrity of the house in those past particulars. This testimony, calculated to vouch, in any event, the conviction of Government that there had not been a premeditated disregard of the statute, or in truth, an infraction of its spirit, is what is contemplated in the expressed persuasion of Government's incompetency to annul the effect of the stamp legitimately given to the past transactions of Messrs. William Palmer and Co. Whatsoever might be the weight of that recorded opinion, Messrs. William Palmer and Co. were entitled to the advantage of it. A declaration of that sort partakes so much of a public deposition, that Government cannot withdraw it at pleasure. For prospective dealings of similar quality, a license under the control of the Resident (the representative of Government on the spot) was signified. The power to grant such a license is denied, on the plea that it was not consistent with the intentions of the Legislature. My public life has heretofore given me frequent opportunities of hearing views supposed for the framers of a statute: and, on such occasions, the highest legal authorities have uniformly beaten down the attempt to defeat, by ingenious constructions, the plain words of an enactment. From that experience I should have been satisfied with the soundness of my ground: yet, as there was no difficulty in recurring to professional advice, that precaution was used, and the opinion of the Advocate-General was required on the point. The copy† of it attached to this letter will be found to pronounce the legality of the license. It then remains to show, what was the precise tenor of that document.

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Not to break the thread of this statement more than is indispensable by quotations, I will only extract from the letter of William Palmer and Co., dated June 1816, that passage which explains their reasons for soliciting the license. A copy of the entire letter will be subjoined in the Appendix.

"It is not however possible, that we should carry on transactions, so extensive and so general as ours, without being frequently concerned in pecuniary "arrangements with the Government itself; and we entreat that your Lordship "in Council will, in pursuance of the power vested in you, exempt us from "any penalties which we might be subject to under the Act of Parliament, "provided that whatever transactions we may have with the Nizam's Govern- "ment shall be such as will be approved of by the British Government. We "conceive ourselves to stand essentially wide of what was in the purpose of the "Legislature, though we now find it doubted, whether the letter of the pro- "vision might not reach us. We believe that the penalties we allude to were "imposed by Act of Parliament, with a view to prevent European subjects "from acquiring privately too much influence at Native Courts, and from "taking advantage of the necessities of Native Governments, to extort ex- "orbitant interest from them. We feel confident, that our transactions can- "not lead to either of those objects, and that their immediate operation has "no taint of that quality; so that we are precisely in the situation which the "Act contemplated, in giving power to the Governor-General in Council to "exempt

* Appendix, No. 7. † Appendix, No. 7, A.

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" exempt from the penalties. Our transactions have always been open and " public; and whenever we have considered them as connected with the Go- " vernment, they have been directly with the Minister, who possesses the con- " fidence and support of the British Government."

The signification of the Governor-General in Council's compliance with this request was conveyed to the Resident at Hyderabad by the Political Secretary, in the following terms.*

" Sir:—I am directed to acknowledge the receipt of your letter of the 27th " ultimo, transmitting an application from Messrs. William Palmer and Co.: " I am now directed to transmit to you, under an open cover, the reply which " I have been instructed to return to their application; from which, and from " the instrument enclosed in it, you will perceive that his Lordship in Council " has been pleased to comply with their request, subject only to the discretion " reserved to the Resident at Hyderabad, for the time being, to satisfy himself " with regard to the nature and objects of the transactions in which Messrs. " William Palmer and Co. may engage under that permission. You will ac- " cordingly consider it to be your duty to exercise that degree of control, at " such time and in such manner as you may judge to be expedient, in the " spirit of the resolution now communicated to you."

As the letter to Messrs. William Palmer and Co. and the instrument, are precisely of the same tenor with the letter just quoted, it is sufficient to place them in the Appendix. A perusal of those documents will prove, that though the house was, within specified limitations, exempted from the legislative prohibition against pecuniary dealings with a Native Prince, no augmented security was, on this occasion, granted to the house, for the results of those or any other transactions, as far as referred to the Nizam's Government; consequently, none could be thence derived, in the negotiating the arrangement for the payment of the troops in Berar.

It has been shewn, that in the arrangement itself, not any such security was, howsoever remotely, implicated. That measure might, nevertheless, be objectionable, had the Nizam's Government been seduced into a contract of unnecessary expense. The Honourable Court is made to attempt fixing that character of unnecessary on the engagement. In paragraph thirty-six, it is said: " The arrangement for the payment of the troops in Berar did not take " place till near the end of April 1818: It could not, therefore, naturally con- " duce to the success of the war, which was drawing to a close." The then real state of the war is justly assumed from my letters to the Honourable Court, dated about that period. But what individual in India, other than myself, could at that time have entertained such a confidence? No one but the Commander-in-chief had the means of exerting over every part of the immense theatre of operations the view requisite for calculating a sure and speedy issue. It has escaped notice, that I was distant from Hyderabad at least eight hundred miles by the nearest route; not only without any regular or secure communication, but with bodies of the enemy actually intervening. The prospects upon which I reposed could not, under any circumstances, have been prudently explained. The motive against imparting them was insuperable, when the consequence might be a premature relaxation of those efforts south of the Nerbudda, the continuance of which was a main ingredient in my computation. At the very juncture when the provision of pay for the advanced troops of the Nizam is indicated as superfluous, the Paishwah was moving with his army between the Tapty and the Nerbudda, in the dominions of the former prince, and in the vicinity of the troops in question. Conscious how I had beset Bajee Rao, and cut off from him all ulterior resources, I might tranquilly anticipate his exhaustion. They who could see only a portion of the scene, formed their judgment from that portion; nor could the Resident, or the Nizam's Government, have thought any moment more urgent than one in which the Paishwah, expected to be joined by the forces of Gwalior and Nagpore, was at their gates.

I have said, that the arrangement was concluded without my privity, under the general instruction which had been given for bringing forward the Hyderabad auxiliaries in as efficient a condition as possible. A supposition may have been

* Appendix, No. 8.

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been entertained, that on my return to Calcutta, satisfied with the completion of our objects, and impressed with the prodigious magnitude of the advantages acquired by the Nizam, I did not nicely scrutinize the terms of the contract to which I am referring. Proof has above been exhibited, that I did inquire into it as far as it might affect the Honourable Company. I cannot support by any evidence, my having duly weighed its nature relatively to the Nizam. I can only offer my solemn affirmation, that I did examine, with scrupulous attention, the papers detailing that transaction, and that I remained convinced the conditions had been more favourable than was to have been expected in an hour of exigency, under the known circumstances of the Hyderabad state. They were lower, by at least a fourth, than what the native bankers had, for some years back, uniformly exacted from that Government.

In all that follows, the charges of improvidence, or rather of culpable countenance to imposition on the Nizam, are so loosely thrown abroad by the compiler of the letter, that they address themselves equally to the transactions already noticed, and to the fourth head, or loan of sixty lacs. The imputations must be answered as so applying: yet, in the mode of discussing them, care shall be taken to prove, that the pledge of the Honourable Company's credit is as unfoundedly advanced respecting the last transaction, as it was with regard to the preceding ones.

In paragraph 43, it is said, "We have some difficulty in persuading ourselves, that his Highness the Nizam, who is said to possess a large private treasure, amounting on the lowest estimate to a crore and a half of rupees, might not have been prevailed upon, by proper representations, to advance a part of this sum to supply the exigencies of his own government. Though described to be a prince of sordid character, and totally indifferent to the public interest (an indifference, by the way, which we apprehend is greatly chargeable to the predominance of foreign influence in the internal administration of his dominions), we can scarcely suppose that it would have been more difficult to prevail upon his Highness to make a temporary advance, for the purpose of preventing the dissolution of his Government and the spread of anarchy throughout his country, than to contribute the sum of sixteen lacs for public purposes in the city of Calcutta." The function delegated to the Governor-General in Council I apprehend to be this: that, under the engagement of unremittingly exerting his utmost ability for the benefit of the Honourable Company, he is to deal with men and things as they may present themselves on the spot, in the manner which, consonantly to law and the general directions of the Honourable Court, shall best fulfil the spirit of that sacred trust. He cannot abstain from acting on those terms, without a dereliction of duty seriously affecting the public interests committed to his management. Then his measures must be squared to circumstances as they really exist. If this be not the admitted principle, but arbitrary imaginations at home are to form the standard by which those measures are to be judged, it would be more consistent, as well as more equitable, that an entire ideal system of India should be determined in England, to which the local Government should be required to fashion its procedures; because, howsoever the Company's concerns might thrive, the Local Government would, by conforming to that rule, avoid giving any dissatisfaction to the Honourable Court, and secure itself from censures of the nature now implied.

It is universally known throughout this country, that the Nizam is a lamentable hypochondriac. His indifference to the state of his dominions arises from an unconquerable aversion to the effort of fixing his mind on any kind of business, not from disgust at foreign interference (as is thrown in, with an insidiousness which shall be immediately exposed), but from the feebleness and irritability of his nerves. To talk to such a man of the dissolution of his Government, or the spread of anarchy in his country, would be to offer him images which he could not comprehend, from which his spirits would shrink, and against which he would betake himself to his habitual refuge, in a declaration always urged with childish obstinacy, "That it is the business of the Minister and the British to take care of his territories." This is not a loose statement: there is not a servant of the Company, civil or military, who has had occasion

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occasion to learn any thing of the Court of Hyderabad, but will vouch for the accuracy of the description. It is quite a different thing to suggest to such a person a proposition causing no agitation, requiring no labour of thought, but applying itself to the earliest, the most uniformly encouraged, and thence the readiest inclination of every native. The vanity of making a momentary display, by which their uninformed minds imagine wide and permanent distinction will be entailed, is known to be the ruling passion of every native of India, Hindoo, or Mussulman.

Irrelevant as the point essentially is, I must not quit this part of the subject without stripping, as I promised, the mask from the laboured attempt at proving me guilty of inconsistency, and obliquely imputing to me the Nizam's abandonment of attention to the welfare of his people. An infallible conclusion will be drawn, if it shall be observed that resort is omitted to no particular, which can by any perversion be made to bear unfavourably upon me. I had recorded my purpose of emancipating the Government of Hyderabad from a thraldom, deemed by me no less dangerous for our interests, than discreditable to our character. A long detail of instructions from me to the Resident at Hyderabad, is quoted, to shew how ill my procedure suited with my profession. No candour can be strained so far as to admit the belief, that the nature of the document in question could really fail to be understood. Such a set of instructions addressed to a Resident who had been conducting affairs at the court of Hyderabad for many years, who was practised in all the habits of local management, and who, from having given uniform satisfaction, could not be supposed to want novel guidance, would have been ludicrously extravagant, unless they applied to some new order of things. They did apply to a new order of things. The very letter whence the insinuation is drawn of an undue interference in the internal administration of Hyderabad, specified and enjoined the change.—Instead of the unqualified dictation heretofore exercised by the Resident, a system was substituted, which made the Nizam's Minister effective: and the objects pointed out to the Resident were for the suggestion of confidential counsel, on terms established with that Minister, not for an intervention of control.* The compiler, thus over-reaching himself, by the inconsiderate eagerness with which such a collateral matter was caught at, will sufficiently shew in what disposition the letter was penned.

That this explanation has not been now framed to meet the charge, will appear from the closing part of my minute,* dated 27th May 1821, which I here transcribe. Mr. Metcalfe had succeeded Mr. Russell as Resident at Hyderabad, and seems to have imagined that the course prescribed for him allowed more latitude than it was intended to grant. Referring to a suggestion of Mr. Adam's, on the practicability of raising a loan in Calcutta for the Nizam, and to my observation on the necessity which would, under the orders of the Honourable Court, exist for apprizing the expected contributors that they were not, in any event, to look for the mediation of this Government, I express myself thus: "I am the more particular on the above head, because the course "which Mr. Metcalfe is pursuing, might otherwise imperceptibly lead him to "employ something more than the influence of the British Government for "the security of subscribers who had advanced their money on his suggestion. "The foresight of the Honourable Court is well illustrated by what has taken "place. A zeal, prompted by the purest humanity, has led Mr. Metcalfe con-"siderably beyond the line which I had proposed for our relations with the "Hyderabad state. I do not mention this in censure, because I am myself "so well aware of the disorganization existing in that country, and of the diffi-"culty in applying efficient remedies, that I cannot say whether Mr. Metcalfe "would have had a prospect of permanently meliorating the conditions of the "inhabitants, by procedures less decisive than those which he has adopted. "On that account, I have not interrupted what he has undertaken. At the "same time, it is obvious that Mr. Metcalfe has, in effect, taken upon himself "the whole Government of the country, not by working secretly on the de-"votion of the Minister to us, but by a direct and avowed superintendance of "the territorial settlements, with all the concomitant arrangement now in "process. The result will, I have no doubt, be equally beneficial to the "Nizam and to his people: yet it will cause extensive irritation and dislike "among

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" among the better classes. This erroneous course cannot be upheld, though, " after having embarked in it so overtly, I fear there will be embarrassment " in our withdrawing ourselves. A system of ostentatious sway over the con- " cerns of an ally, is so irreconcileable to the maxims reiteratedly impressed " upon us by the Honourable Court, and so little accordant to my notions of " justice or policy, that I must see with jealousy any thing which tends to prop " its silent operation, after we shall have professedly retired from the inter- " ference. The placing the Resident at the head of a body of creditors of " the Government wholly dependant on him for protection, would be to furnish " him with an instrument of oppression, the most galling and vexatious that " could be entrusted to an individual. I do not know the man less likely than " Mr. Metcalfe to employ such an engine perversely, yet I cannot repose it in " even his hands. I thence must guard against any possible laxity in the terms " of the loan which he recommends, and which I hope he may be able to effect, " notwithstanding my unfavourable augury."

As the Minister had not made any communication to me of objections, I took it for granted that he had cheerfully concurred in Mr. Metcalfe's plans: nevertheless, projects which confessedly originated with the latter, and were ostensibly conducted by him, were regarded by me as deviating injuriously from my principle, though the fear of occasioning some practical ill consequence at the moment, prevented my arresting their progress.

I return to the supposition of the Honourable Court, that money might have been procured from the Nizam for the relief of his country. It seems as if the compiler of the letter was conscious, that such a presumption was but a hollow foundation for an argument: something more distinct was necessary. From that consideration, the Honourable Court is made to say: " We regard it as " certain, that a loan might have been obtained by the Nizam's Government, " under your guarantee, at less probably than ten per cent." An artifice more disingenuous can hardly be conceived, than the compiler's holding forth as of possible adoption, an expedient which the Honourable Court had strongly reprobated in the case of the Guicowar. From the mode of statement my being at liberty to employ that expedient, with the consequent culpability of refraining from doing so, is left to be inferred; while, on the former occasion, the Honourable Court condemned the measure, not from its discordance with any special circumstance in the particular instance, but from an inherent objection, which should forbid resort to it in any. Some memory of that awkward record probably came across the writer: he therefore could not venture to leave it supposable, that such a guarantee would have been approved by the Honourable Court: But he evades distinctness, by observing, it is not meant to be said, that the Court would have recommended that plan; still subministering the conclusion, that even such a guarantee would have been preferable to the course pursued. The inseparable evil attached to that plan, felt no less by me than by the Honourable Court, consisted in this: that our engagement to see the creditors periodically paid, obliged us to enter into the detail of the Native Sovereign's expenditures, and to control them. A stipulation, called the bhandarry, for the exercise of that right, had been made by this Government, when a loan under our guarantee was negociated for the Guicowar by a former administration. My opinion of the arrangement will appear, from the following passage in my minute*, dated 9th July 1820. " The measure to which Mr. " Adam alludes" (a loan to be raised under our guarantee) " necessitated the " bhandarry system at Baroda. That system was glanced at, in discussions " respecting Hyderabad, very lately in the Council; and I thought we had " been unanimous in reprobating the notion of any procedure, which could, " even virtually, involve us in a similar species of pledge to over-rule the " Nizam's expenditure."

There was another difficulty, which the compiler either did not suspect, or thought would be conveniently overlooked. I believed, and believe, that my staking the Honourable Company's property by such a guarantee, without security, was not within my legal competency. Though I recorded that persuasion on the proceedings of Council, which were necessarily before the compiler, so important a doubt has passed unnoticed. The opinion was not inconsiderately advanced by me.

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Though a guarantee, which unavoidably entailed a bhandarry, might not be admissible, the Honourable Court is, in paragraph 39, made to say: "We "have no reason to doubt, that had the Company lent its credit to the Nizam's "Government in another form, money might have been obtained from native "bankers at a rate of interest equally moderate."

No doubt can exist upon the point. But to render the observation capable of furnishing any deduction, it ought to have been shewn that I could lawfully, without the Court's previous sanction, lend the Company's credit in such a transaction. I confidently assert, that no man, who has a respect for his character, will be found to maintain the affirmative.

The proposition which came the nearest to possible adoption was Mr. Fendall's, founded on the principle of our purchasing for a crore of rupees the annual peshcush, or chief rent, paid by us to the Nizam for the Northern Circars. Objections to this, on the score of pecuniary disadvantage to the Honourable Company, were stated in my minute on the occasion. Those, however, were not the main obstacles: I doubted my powers to sanction such an arrangement. The answer* of the Advocate General to me, dated 26th May 1821, a copy of which is subjoined, will shew that my conception was not incorrect. What then would have been the case of a guarantee granted by this Government for no valuable consideration, and without any species of counter-security?

In paragraph 30 it is remarked, that it was incumbent on the Governor-General in Council "to substantiate, that the objection was of sufficient im-"portance to warrant the adoption of extraordinary and unusual means for its "attainment; and, secondly, that the means which you had authorized were "not perverted to purposes injurious to the interest of our ally, or discredi-"table to the British character." The passage obliquely advances two assumptions, each groundless: first, that no necessity for an exertion had been indicated; secondly, that recourse was had to extraordinary and unusual means.

Considerably anterior to this period, the critical condition of the Nizam's dominions had been represented to the Honourable Court in different official communications. They were, it is to be presumed, not recollected. My attention to a circumstance involving the probability of extensive commotion, with consequent heavy expense to the Honourable Company, was naturally more awake. On the 3d of May 1821, adverting to the protraction, during more than a year, of a decision which pressed seriously, I delivered to the Council the minute from which I transmit an extract.† "The question cannot, "for any practicable end, be considered unconnectedly. It is not a simple "discussion on the more or less of interest expediently admissible. Unless the "consultations which we have held, and the determinations which we have "recorded respecting the condition of the Nizam's dominions were absolutely "inept, there is the most urgent call for efficacious remedial procedures in that "state. We enjoined the Resident to press upon the Minister the necessity "for immediate steps of reform: the evil was represented as not admitting of "procrastination or palliatives. We were moved to this intervention by the "clearest perception, that extensive convulsions in the Nizam's territories "would not only be injurious to us in that quarter, but would infallibly stir up "commotion north of the Nerbudda, and subject us to heavy expense. Our "assurances of support were plighted to the Minister, in case he would under-"take a measure which we both knew must draw upon him the violent hosti-"lity of all those powerful chiefs about the Nizam's court, whose emoluments "were to be curtailed by the proposed alterations. On the faith of our pledge, "Chundoo Loll (the Minister) embarks on an enterprise, which puts to hazard "his very existence. Having nothing specific prescribed to him, he frames "for himself an arrangement which, though only partial, exhibits beneficial "result, in the degree of instantly furnishing to him an additional revenue of "nine disposable lacs annually for six years; after which period the improve-"ment of income, achieved by the operation, will stand at twenty-five lacs "annually. Instead of encouraging this first effort to meet our wishes, we "tell him that his conduct is improvident; and we assert, that he might have "made a better bargain, though he and the Resident both declare the terms "of

* Appendix No. 11. † Appendix No. 12.

" of the loan to be the most advantageous that the situation of affairs in that " country would enable the Nizam's Government to procure. But there is a " consideration still more serious than the repressing the confidence and activity " of Chundoo Loll. The importance of time, and the lapse of it, seem to be " entirely overlooked, though we have professed delay to be perilous. The " suspense inevitably gives formidable advantage to the party opposed to " Chundoo Loll; and that advertence ought to call attention to the risk of a " dilemma. It would be an awkward alternative, when we must either forfeit " our honour and Chundoo Loll, or must interfere for his protection with an " open usurpation of control over the Nizam, painful to our sentiments, and " destructive of the liberal system which we have endeavoured to establish. " I thence solicit a speedy and final decision."

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It is material to observe, that the above facts are urged to persons who had slidden into considerable heat of opposition, from my not concurring in views of theirs, deemed by me irreconcileable to the obligations of my station. This is what must frequently occur in a Government so peculiarly framed. Constituting a part of the Supreme Local Authority, as each member of Council does, still no real responsibility for his opinion rests upon him. Hence there must be a chance of occasionally admitting a conception, without that close scrutiny necessary to be exercised by the Governor-General, who stands singly answerable to his employers and his country: And it is in our nature to be tenacious of a sentiment, when the abandonment of it might imply that it had been crudely hazarded. Even with that temper evident in their minutes, my opponents did not attempt to impugn any one of the positions in the above extract. My call upon them, at the close, was, that after the waste of so many months, they should either offer some substitute, consonant to law, for the plan proposed by Chundoo Loll, or cease to obstruct what would, in default of such a substitute, be the sole applicable remedy for the distresses of the Hyderabad state.

It might not be very easy to define the principle of right on which such obstacles were advanced. The Minister had been informed, that he was a free agent, as to all details under his comprehensive pledge of reforming abuses and reducing the expenses of the state within its income; with this single stipulation, that he should admit and duly weigh the counsels of the Resident. We should seem, then, to have repudiated any title to interfere with the particulars of his management, while its general course corresponded with his obligation. Messrs. William Palmer and Co. furnished us with a pretext, but it was no more than a pretext, for a minute intervention which we had disclaimed. They applied to know, whether their meeting the solicitation of the Minister for their assisting his efforts by fashioning a loan, in which they were necessarily to be principal contributors, would be approved by this Government. The conditions of such a loan were strictly out of our cognizance, being matter of internal administration, on which the Minister's judgment was fortified by the opinion of the Resident. We nevertheless entered into an investigation of the terms; for which step we must rest our justification on the anomalous position in which we stood, through our secret engagement with the Minister, and the circumstance that the house of William Palmer and Co. was essentially a British establishment. The motive of the Council in the disquisition was upright and laudable. The error was the wandering into impracticable speculations about some scheme that might be deemed by us more advantageous, and which should be arbitrarily imposed upon the Minister. A twelvemonth was occupied in these discussions, during which the Honourable Company's concerns were exposed to injury, from the imminent hazard of convulsions in the Hyderabad state, sure to spread to our newly-acquired territories, while also the embarrassments of the Nizam's Government were increasing, by the accumulation of arrears to the troops and to the public creditors.

As no other feasible plan was suggested, Rajah Chundoo Loll was at length allowed to complete his projected loan. The exposition made by the Minister of his views in seeking it was, without question, satisfactory. He proposed with a portion of the money to pay off debts outstanding on heavy terms, by the aid of which measure he would be able to produce annually the sixteen lacs destined to defray the interest, and to discharge the capital of the loan in six

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years. He intended, by liquidating the arrears due to the riotous bands stationed throughout the country, to obtain the power of dismissing that licentious soldiery, which had for years been the scourge of the cultivators; and then he was to remove from the charge of a district, every chief who had abused his authority by extortion or oppression: an attempt not to be ventured upon, until the troops had been dispersed. The objects were so visibly useful, and indeed urgent, that with reference to them no doubt could be entertained on the expediency of the loan. If the Minister failed to appropriate the money in the way he held forth, such a circumstance was not involved in the plan, nor was it to be anticipated. The assent which, in conjunction with Mr. Fendall, I gave to the Minister's obtaining this sum, contemplated its professed application. When I state this, to shew that subsequent malversation on the part of the Minister could not affect the rectitude of the principle on which I decided the resolution of Council by my casting vote, I do not mean to have it inferred, that any such laxity is actually imputable to Chundoo Loll. It has been surmised, I think, inconsiderately. He may have deceived himself with regard to the extent in which the means acquired by him would fulfil his ends: but he did disband large bodies of the insubordinate troops; he did remove the chiefs who were grinding the inhabitants, with such conscientiousness as to include his own brother in the number; and such security was thereby attained for the quiet of the Nizam's dominions, as gave time for undertaking a more complete, but unavoidably slower reform. This has been proceeded upon, till the Minister now exhibits a reduction of annual charges amounting to forty-one lacs; a saving, which, to my conviction, establishes the sincerity of Chundoo Loll's endeavours, though it does not obviate the necessity of striving to wipe off all the debts bearing ruinous interest. The present Resident questions the accuracy of the Minister's representation. A native Minister may be sufficiently liable to err in making up a complicated financial report: yet as all the items constituting the aggregate reduction are separately specified in Chundoo Loll's schedule, the detection of any incorrectness seems attended with no difficulty. At all events, the difference of three or four lacs, which candour must ascribe to mistake, would not invalidate Chundoo Loll's claim to credit in the main.

The effectuation of the loan, therefore, was productive of immediate and important benefit: and the various schemes, so minutely discussed, for subministering funds upon lighter terms, only proved by their abortiveness that the benefit was acquired (as the Resident and the Minister had premised) on the best conditions really procurable.

Against the latter part of that statement an oracular authority is quoted against me. Mr. Stuart, notwithstanding the explanations of Sir William Rumbold, who presented the accounts to him at his (Mr. Stuart's) house, is remarked to have said, that "he was not satisfied." It is difficult to estimate the weight of that expression. Where a dictum is to hold the place of reasoning, the less it is subject to comprehension the better, because the fancy of the hearer or reader is left to supply insinuation in unlimited extent. I fear, however, that I must detract somewhat from the pregnant gravity which seems ascribed to the observation. I aver my persuasion, that in the mood indulged by him at the time, there was not a decision on any possible subject where I could be supposed to have a prominent opinion, to which Mr. Stuart would not have been likely to apply the same words; they being nothing but an indefinite intimation of discontent regarding my administration, in default of any more intelligible objection.

An ebullition of that sort will hardly be admitted by any one into the scale against the proof adduced by me, "that the object of the transaction alluded to was not only important, but not postponeable;" and "that no extraordinary or unusual means were resorted to, the simple contraction of a loan by the Nizam's Minister not being of that description." Had any misapplication of those means taken place, still it could not have been prevented by me, otherwise than by an usurped and impolitic control, inconsistent with the principles which I had laid down for our conduct towards the state of Hyderabad. It has, however, been shewn, that the expedient adopted by the Nizam's Minister, and in no shape originating with us, was not "perverted by him to the injury of our ally."

Discredit

Discredit to the British character could not have been, by any possibility, a contingency in the case.

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Advertence to the interview of Sir William Rumbold with Mr. Stuart, leads to a more distinct exposition of the reasons, why the details of the transactions between the house of William Palmer and Co. and the Nizam's Government were not put on record. A proposition was made in Council for calling upon the above house to submit its books to the inspection of Government. Sick of fretful contest, I yielded my assent without due consideration. I was, however, not satisfied at the moment, and I became still less so upon reflection, when I had retired to my apartment. Accident, in a day or two, gave me the opportunity of relating what I had done, and confessing my doubts upon it to a person whose opinion on the matter could not but be decisive. He frankly told me, that the constraining a mercantile house to lay open its accounts to Government, when no criminal charge existed to justify such an extreme measure, would be regarded in an English court of justice as altogether indefensible. On this the order was revoked; but too tardily to stop the production of the accounts to the Resident at Hyderabad, which was fulfilled with a laudable and confident readiness. To Sir William Rumbold it was announced, that an examination of the entire books was not required, as a minute statement of the special transactions in question, extracted from the books, would suffice. Sir William Rumbold begged leave to urge two serious objections to laying such a statement on the Council-table, which would necessitate its being entered on the proceedings and transmitted to England. First, it had been surmised, that the European partners of the house were liable to prosecution for pecuniary negociations with a native, not previously and specifically authorized by Government; and if the supposition had any solidity, it was unequitable to exact that he and another European partner should furnish for record, precise grounds of crimination on which they might have suits instituted against them by any one, whom rivalry, cupidity, or animosity, might prompt to the undertaking.—Secondly, in reference to the loan of sixty lacs, he represented the unfairness of submitting a transaction, necessarily fashioned according to the peculiar circumstances of the country, to be canvassed by clerks in Europe, who could only measure it by the course of pecuniary concerns at home; and who, to the probable injury of the house in the eyes of its European correspondents, would ignorantly declaim against the terms as rapaciously wrung from the exigencies of a Native Prince. These pleas appeared to me unanswerable: and I thought that, in acceding to them, I had carried with me the feeling of the whole Council, no objection being hinted.

The apprehension expressed in the latter appeal to our candour was not superfluous. The Honourable Court, conversant as one must presume it to be, with the nature of money dealings in all parts of India, evidently regards the conditions of the loan as unusually oppressive to the borrower, and as having been extorted from his distress. The fact is, that those conditions, including the bonus, were six per cent. less than the established rate of interest in the Nizam's dominions and in the neighbouring native States. They were little more than the half of the lowest rate at which his Highness had for some years back obtained money from the native bankers; they demanding additional gain, to balance the additional risk of a loan, when the safety of the capital rested solely on the pleasure of the sovereign. The references which I am constantly receiving, respecting the debts of officers from the territories lately annexed to this Presidency, but in which our judicial regulations are not yet introduced, do not afford one solitary instance, in which the interest is not charged at two per cent. monthly, the regular rate in the Hyderabad State. But the conclusion from this must be vague, in comparison with what the practice of Calcutta itself displays. It is notorious, that no man can borrow twenty thousand rupees for less than sixteen per cent., if insurance be to be included, for want of other security. This is the true parallel to the bargain of Messrs. William Palmer and Co., who were unavoidably their own insurers.

With peculiar insidiousness, the argument in the Honourable Court's letter is uniformly made to assume, that the loan of sixty lacs was advanced by the house of Messrs. William Palmer and Co. alone. This is to convey the insi-

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nuation, that an unconscionable advantage was allowed to be taken of the Nizam, and was countenanced through an unworthy partiality towards the house in question. The loan was furnished by a general combination of the Shroffs (or bankers) of Hyderabad. It was, indeed, arranged through the influence of Messrs. William Palmer and Co., to the responsibility of which firm the several contributors assert they looked, when they lent money for Government at so reduced a rate of interest. The mode of employing their cash does not seem to have been singularly inviting, when it appears by the evidence of Mr. John Palmer, that, in order to complete the sum required, Messrs. William Palmer and Co. were obliged to swell their own share, by borrowing at a higher rate of interest than what they were, to receive. Of course, the Minister made good that sacrifice; but the circumstance shews that the terms of the loan were not held particularly advantageous by the native monied men. In truth, some doubt about making out the extraordinary benefit of those terms seems to have existed with the compiler of the letter, when the impeachment of the transaction is not left to rest on the extravagant charge of interest abstractedly, but is shifted to the position, that as the British Government had pledged the Company's credit in favour of William Palmer and Co., the conditions of the loan should have been lighter. I have positively denied the existence of such a pledge, ever so remotely implied. Let us see how that denial is supported.

Mr. Stuart had argued, that tunkhas, or assignments, for certain sums, payable in a future day, on the collectors of revenue in particular districts, were a security. There appeared to me no security at all in such an assignment, when a private hint from the Minister to the collector, not to liquidate the obligation, rendered it waste paper. In expressing that opinion, my mode of illustrating it involves the most direct contradiction to what the Honourable Court is made to infer. My minute* of the 10th November 1819, contains this passage:

"Asoph-oo Dowlah's extinction of assignments, to a vast amount, is in the "memory of every one. Mr. Stuart seems to think that this hazard might "have been precluded, by the Resident's pledging the intervention of this "Government to maintain the security inviolate. The entanglement of our-"selves in the Nizam's pecuniary concerns, is what we have been most stu-"diously, and, in my judgment, most prudently avoiding. It is inferred, "however, that the pledge does virtually exist, respecting the engagement "with William Palmer and Co. The conception is erroneous. The Resident "and the house reciprocally deny the existence of any such understanding. "Messrs. William Palmer and Co., indeed, frankly acknowledge, that they "would not have entered into the agreement with the Minister, were they "not confident their being British subjects would prevent a laxity towards "them, which would be exercised with little hesitation towards native credi-"tors." Here I not only state the fact, that no pledge, under any kind of construction, was given, but I summon the recollection of the Members of Council to our having concurred in avoiding entanglement with the Nizam's pecuniary concerns, insisting on our prudence in so doing; and I refer to the declaration of Messrs. William Palmer and Co., that there was no understanding of any eventual interposition in their favour, they resting simply on the persuasion, that the Minister would not disgrace himself by a breach of faith to a British subject, which he would have practised with indifference towards a native.

The point, however, was afterwards stated still more strongly by me. In my minute† of 9th July 1820, of which I have already quoted a part, replying to an argument of Mr. Adam's, I express myself thus:—"The Resident at Hy-"derabad was explicitly informed, I know not whether in a public or a private "letter, that this Government would never furnish even an implied security to "parties supplying the Nizam with money. He has, on this occasion, ex-"acted a declaration from Messrs. William Palmer and Co., that they do not "understand as any such indirect assurance, the sanction which they request "from Government. Unless we depart from the above principle, which I have "no disposition to abandon, what chance can there be of the Nizam's pro-"curing money by recurrence to Shroffs in various places?" It is to be observed,

* Appendix, No. 13. † Appendix, No. 10.

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served, that the mention of a private letter in the above passage, does not allude to one written in ordinary correspondence; it is the technical term for those demi-official letters, which the Secretary writes by order of Council, to illustrate and define more accurately any formal instructions which have been despatched, and which appear on reflection to require that supplementary explanation. Those letters were not put upon the proceedings of Council, but the drafts of them are kept in the office for reference. My minute having been written at Barrackpore, where I could not consult the documents, I was uncertain in which shape the intimation had been transmitted. It was in a private letter. Insufficient authority will not be imputed to it, when it was thus forced upon the recollection of persons who were parties in directing the specific communication, and who, in the keenness of controversy which then existed, would have been very glad to deny its effect, could they have devised any colour for so doing.

The proof drawn from the silence of my opponents in Council on that occasion, is even more unequivocally deducible, from their tacitly subscribing to what was advanced by me in subsequent sittings. On the 3d May 1821,* in answer to a suggestion in a minute by one of the Members in Council, that the monied natives of Calcutta might perhaps be found ready to come forward with the necessary sum, I recorded this observation: "The considerable interest required for the last loan at Hyderabad, though "much below the ordinary rate there, was owing to the refusal of this Govern-"ment to give any assurance of eventual support. It is not to be believed, "that Calcutta Shroffs would estimate the risk more lightly than those on the "spot, who might have some personal reliance on men in power." As will here be seen, in my minute† of the 27th May 1821, I signified perfect assent to Mr. Adam's making the trial, though the notion appeared to me visionary. The trial, if ever made, was fruitless. The above extract asserts in the plainest terms, that an absolute refusal had been given to the proposition, for allowing Messrs. William Palmer and Co. to indulge any expectation of interposition for their protection in their transactions with the Nizam's Government.

The "last loan" mentioned in the quotation from the minute of the 3d May 1821, is the contract (a more appropriate description) for the payment of the troops at Aurungabad: but that arrangement is alluded to merely in exemplification of the immediate point discussed in that minute, the expediency of the proposed loan of sixty lacs. It is to the latter that the argument grounded on the fact adverted to refers, implying distinctly that this Government would not allow the subscribers, whether William Palmer and Co. or others, any hope of its stepping forward in their favour, should the Nizam, after receiving their money, seem disposed to palter with his engagement. The application, however, of the reasoning, is more precise in the minute of the 27th May 1821. Replying, on that occasion, to something which seemed not quite logical, I use these words: "Indeed, were the reasoning valid, it "would not be intelligible, why we had refused not only any guarantee, but "even any encouragement, to the Hyderabad Shroffs associated under Wil-"liam Palmer and Co., and thereby forced them to require an interest regu-"lated by the precariousness of their security."

Thus I stand upon record, as having, in a series of documents, reprobated the notion of allowing any eventual support to the furnishers of a loan for the Hyderabad State. The Resident denies that any reliance of the sort was permitted in the negociation now reviewed. Messrs. William Palmer and Co., the parties immediately interested in assuming a constructive guarantee, disclaim their having any implied security whatever: and the Members of Council, whose litigation would be importantly justified, could they shew any ground for inferring an encouragement of that nature, acquiesce in the assertion of its non-existence.

By the letter‡ from the Resident, dated the 19th May 1820, with the papers attached to it, it will be seen, that he exacted from Messrs. William Palmer and Co. a specific declaration as to their conception of any understood support from this Government, in the event of the loan's being advanced to the Minister. Their answer is explicit. They hope for his influence to prevent their

* Appendix, No. 12. † Appendix, No. 9. ‡ Appendix, No. 14.

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their being defrauded, but shall never expect their danger in that respect to be made matter of discussion between the two Governments. That is, they look only to the degree of protection which his official character bound the Resident to give equally to every other British subject who might have dealings in the Nizam's territories.

In the teeth of such evidence, the Honourable Court has been seduced into charging me with having unauthorizedly pledged the credit of the Honourable Company; with having done so, in order to bestow dishonestly an exclusive favour on the house of William Palmer and Co., when the whole monied interest of Hyderabad was brought forward under the name of that firm; and with having countenanced the loan in question unnecessarily, when the whole course of the proceedings in Council testified our unanimous conviction of the Nizam's hazarded position, and of the dangerous effect which a general convulsion in his dominions would produce on the late advantageous settlement of India.

It may be thought, that I cannot but be astonished at so strange a perversion of circumstances. I am not, however, surprised. I should have been so, could I ascribe the tenor of the letter to the real judgment of the Honourable Court: but I repeat, with every solemnity of profession, my being certain, that what the Honourable Court subscribed, was palmed insidiously on its unsuspecting candour. The extravagance of a falsification, sure to be ultimately exposed, is, in this instance, no argument against its having been intentional and deliberate. I know too well the calculation that is made of the time which must elapse, before the imputations can be refuted, and the reckoning upon the effect to be produced by those imputations in the interval.

I close this exposition, in a just confidence in the Honourable Court's regretting its having unguardedly lent itself to an inaccurate and injurious conclusion.

I have, &c.

Fort-William,
20th October 1822.

(Signed) HASTINGS.

NOTE.—The following documents were appended to the foregoing Letter from the Marquis of Hastings to the Chairman, in the order in which they stand in the following List.

Appendix to the foregoing Letter.

No. 1. Questions proposed in Council by the Governor-General to John Palmer, Esq. of Calcutta, on the 10th May 1822, and Mr. Palmer's Replies. Vide page 157.

2. Affidavit of William Palmer, Esq., and Sir William Rumbold, dated 26th June 1821. Vide page 158.

3. Letter from the Secretary to Government to Henry Russell, Esq., Resident at Hyderabad, dated 30th January 1819. Vide page 12.

4. Letter from Henry Russell, Esq., Resident at Hyderabad, to the Secretary to Government, dated 28th April 1819, enclosing Correspondence with Messss. William Palmer and Co.; and Copy of the Agreement entered into by the House with the Nizam's Minister. Vide page 12.

5. Letter from Henry Russell, Esq., Resident at Hyderabad, to the Secretary to Government, dated 6th April 1814, enclosing Copy of Letters received from Messrs. William Palmer and Co., dated 30th March 1814. Vide page 2.

6. Letter from the Secretary to Government to Henry Russell, Esq, Resident at Hyderabad, dated 22d April 1814. Vide page 3.

7. Letter from Messrs. William Palmer and Co. to the Governor-General in Council, dated 27th June 1816. Vide page 3.

7. A Letter from Edward Strettel, Esq., Advocate-General, to the Secretary to Government, dated 19th July 1816. Vide page 5.

8. Letter from the Secretary to Government, to Henry Russell, Esq., Resident at Hyderabad, dated 23d July 1816, enclosing Letter of the

Appendix to the foregoing Letter.

the same date to Messrs. William Palmer and Co., and the License granted by the Supreme Government to that House. Vide page 6.

9. Minute of the Governor-General, dated 27th May 1821. Vide page 205.
10. Minute of the Governor-General, dated 9th July 1820. Vide page 50.
11. Letter from R. Spankie, Esq., Advocate-General, to the Marquis of Hastings, dated Calcutta, 26th May 1821. See below.
12. Minute of the Governor-General, dated 3d May 1821. Vide page 198.
13. Minute of the Governor-General, dated 10th November 1819. Vide page 30.
14. Letter from Henry Russell, Esq., Resident at Hyderabad, to the Secretary to Government, dated 19th May 1820, enclosing Translation of a Letter received from Rajah Chundoo Loll, with his Correspondence with Messrs. William Palmer and Co.; also Letter from Messrs. William Palmer and Co. to the Resident, dated 19th May 1820. Vide page 38.
15. Letter from the Secretary to Government, to Henry Russell, Esq., Resident at Hyderabad, dated 15th July 1820. Vide page 55.

All the above documents, with the exception of the subjoined letter from the Advocate-General to Lord Hastings (No. 11 in the list), will be found (on the pages referred to) among the papers immediately preceding the Court's despatches of the 24th May 1820, 28th November 1821, or the 21st January 1824.

LETTER *from the* ADVOCATE-GENERAL *to the* GOVERNOR-GENERAL.

Letter from the Advocate General.

My Lord:

I have considered with great attention the question stated in the confidential communication with which I was yesterday honoured by your Lordship, and it appears to me, that an application of public funds in any mode, for the purpose of aiding the Nizam in his present embarrassment, must depend for justification chiefly on the policy and expediency of the transaction. The redemption of the peshcush would not be within the letter of the Act of Appropriation, 53 George III, cap. 155, sect. 55, and it *might* be viewed as the discharge of an incumbrance on the territorial revenues. Still, however, unless sanctioned by clear grounds of public policy, it might be considered a violation of the Act, if a surplus of the revenue were so applied.

The Act of Parliament, indeed, seems to have left all cases of general policy and expediency, requiring a division of public funds, to stand on their own merits. The preference and priority of the different branches of service, with relation to each other, are clearly ascertained and provided for, but beyond this the legislative provision is hardly capable of a precise application; and I cannot conceive an instance in which a surplus revenue, *primâ facie* applicable to the reduction of debt, being applied to any other purpose, would not be a violation of the law, unless justified by its own merits. This, I confess, is a vague and unsatisfactory view of the general principle, which, I fear, can be of little use in assisting your Lordship's superior judgment.

I have, &c.

Fort-William,
26th May 1821.

(Signed) R. Spankie.

LETTER *from the* MARQUIS *of* HASTINGS *to the* CHAIRMAN.

To the Honourable the Chairman, &c. &c. &c.

Letter from the Marquis of Hastings.

Honourable Sir:

In my letter to you of the 20th October, respecting the affairs at Hyderabad, I professed my intention of appealing to the Members, as to how far I had ever furnished ground for the charge made by the Honourable Court, of my having assumed a privilege of action independent of its authority. A copy of the answer from the Members of the Council, as well as of the appeal itself, is herewith enclosed, and I beg leave to rely upon your goodness for the submission of these documents to the Honourable Court.

I have, &c.

Fort-William,
20th December 1822.

(Signed) Hastings.

Letter from the Marquis of Hastings.

Enclosure No. 1.

To the Honourable Messrs. Adam, Fendall, and Bayley.

Gentlemen:

The letter from the Honourable Court, dated 28th November 1821, conveyed a direct charge of my assuming the power of setting aside its authority. and claiming for myself a privilege of action subversive of the system established by the Legislature for the administration of affairs in these territories. Remarking, in a letter to the Chairman, the serious nature of such an imputation, I observed, that so forced and arbitrary a construction could never have been attached to the supposed fact on which it was founded, had not an habitual disposition to that species of encroachment been ascribed to me. I thence said, that I should call upon the Members of Council to declare, as men of honour, "Whether they have ever discovered in me any management, "or apparent inclination to evade an order from the Honourable Court, which "could without distinct injury to the Honourable Company's service be ful-"filled? Whether, in the case of instructions from the Honourable Court, the "most irreconcileable to existing circumstances, consequently the most embar-"rassing, they have ever heard me remark upon the inapplicability of the "orders with any irreverent levity? Whether, on the contrary, they have not "observed in me an invariable solicitude to warp the exigencies of the junc-"ture, as far as possible, to the Honourable Court's wishes, so as that the latter "might be satisfied to the utmost extent safely practicable?"

Allow me, Gentlemen, to entreat, that you will consider the above questions as put to you, and that you will have the goodness to favour me with your answer to them.

I have, &c.

Government-House,
8th December 1822.

(Signed) HASTINGS.

Enclosure No. 2.

Enclosure No. 2.

To His Excellency the Marquis of Hastings, K.G. &c. &c.

My Lord:

We have this day had the honour to receive your Lordship's letter of the 8th instant, in which you have been pleased to call upon us to declare, "Whether we have ever discovered in you any management, or apparent incli-"nation to evade an order from the Honourable Court, which could, without "distinct injury to the Honourable Company's service, be fulfilled? Whether, "in the case of instructions from the Honourable Court the most irreconcile-"able to existing circumstances, consequently the most embarrassing, we have "ever heard you remark upon the inapplicability of the orders with any irre-"verent levity? Whether, on the contrary, we have not observed in you an "invariable solicitude to warp the exigencies of the juncture, as far as possi-"ble, to the Honourable Court's wishes, so as that the latter might be satis-"fied to the utmost extent safely practicable?"

To the two first of these questions we can have no hesitation in replying, distinctly and unequivocally, in the negative; while we can with no less truth and sincerity declare, that in every instance which has come under our observation, your Lordship's conduct has been invariably governed by the principles stated in the last question.

The tenor of your Lordship's questions has necessarily prescribed the limit to our answer, and has restrained us from bearing testimony, more at large, to the marked deference and attention to the wishes of the Honourable Court, which your proceedings have uniformly manifested, and to the constant anxiety evinced by the general spirit of your administration to uphold their dignity and authority.

We have, &c.

Fort-William,
10th December 1822.

(Signed) J. ADAM,
J. FENDALL,
W. B. BAYLEY.

POLITICAL LETTER *to* BENGAL,
Dated 5th November 1823.

Political Letter to Bengal, 5 Nov. 1823.

1. Our late Chairman has communicated to us a letter addressed to him by the Marquis of Hastings on the 20th October last, in reply to the letter addressed by us to the Governor-General in Council on the 28th November 1821.

2. This letter, according to the intimation which has been repeatedly conveyed to you, is properly only a private paper. It is addressed to the Chairman, and not to the Court, as it ought to have been if it was meant to be a public document, and it bears the signature of the Governor-General singly, instead of being subscribed by all the Members of the Government. Nevertheless, as the letter contains matter which we cannot, in justice to ourselves, suffer to pass unnoticed, we herewith transmit a copy of it for your information.

3. It is not our present intention to enter on the subject treated of in this irregular communication; but it is necessary that we should pronounce entirely void of foundation, the belief professed by his Lordship in that letter, that our political despatch of the 28th November 1821 did not faithfully and truly express our sentiments on the transactions of which it treated. "I re-"peat," says his Lordship, towards the conclusion of his letter, "with every "solemnity of profession, my being certain that what the Honourable Court "subscribed, was palmed insidiously on its unsuspecting candour." A declaration more offensive to the constituted Authorities at home could not well have escaped from his Lordship, and one more at variance with fact never was hazarded by any one. We should be wholly unfit for the situations in which we are placed, if, on any occasion, we could voluntarily subscribe our names to a despatch, the contents of which were not the result of our deliberate convictions; and the particular despatch in question was, in fact, the result of much investigation and more than ordinary deliberation.

4. Having, from the peculiar circumstances of Lord Hastings's letter, been led to notice it, contrary to our general intention in regard to private papers, we have to apprize you, that, in future, irregular communications of this nature will be disregarded in our official correspondence.

We are, &c.

(Signed) W. WIGRAM,
W. ASTELL,
&c. &c. &c.

POLITICAL LETTER *from* BENGAL,
Dated 20th December 1822.

Political Letter from Bengal, 20 Dec. 1822.

1. We propose, in the present address, to submit a report of our proceedings, in regard to the pecuniary transactions between the Government of his Highness the Nizam and the house of William Palmer and Co., since the despatch of our letter to your Honourable Court of the 16th December 1820.

2. In that letter we submitted to your Honourable Court a copy of our instructions to the Resident at Hyderabad, directing him, in obedience to the orders of your Honourable Court of the 24th May 1820, to refuse his sanction to any further pecuniary arrangements between the house and the Nizam, and to submit any information, with regard to such pecuniary dealings between the parties, as might not have been previously reported to us.

3. On the 21st January, Mr. Metcalfe reported* the execution of our instructions of the 16th December, above adverted to, and enumerated various loans to which the Nizam's Government might be considered a party. In reply,* we explained to Mr. Metcalfe, that although he was to refuse his sanction to any future loans to the Government or to individuals, involving, however remotely, the guarantee of the Minister to their repayment, it was not intended to impose shackles on transactions purely commercial, even though they should be with the Government of his Highness the Nizam, it being requisite only that reference should be made to the Resident's judgment.

4. We also called upon Mr. Metcalfe to report the effects of the late loan of sixty lacs on the improvement of the affairs of Hyderabad, the convenience of the Government, and the comfort of the people generally.

5. On

* Political Consultations, 10th February 1821.

Political Letter from Bengal, 20 Dec. 1822.

5. On the proceedings of the annexed date*, we received a very interesting report from Mr. Metcalfe, containing his remarks on the general state of the Nizam's affairs, with characters of his Highness and his Ministers, and stating the points to which his attention will be particularly directed, in order to promote the prosperity and welfare of the Government and country.

6. On the proceedings of the date noted in the margin †, your Honourable Court will find a despatch from the Resident, referring to his former communication on the subject of a settlement of the land revenue for a term of years, and reporting that the proposal had been acceded to by the Minister, and was in progress. We signified our approbation of Mr. Metcalfe's proceedings in a letter dated 7th April. On the 16th of that month, Mr. Metcalfe reported‡ his having proceeded on a tour of observation through the Nizam's country, and the arrangements which he had made in consequence. These were approved by us on the 5th of May.

7. On the 17th March 1821, Mr. Metcalfe reported his sentiments, under the instructions of the 10th of February of that year, with regard to the effects of the loan. He stated that the Government of Hyderabad had been relieved from much pecuniary embarrassment, and been enabled to pay off large arrears; but that he was disappointed to find that the relief had not been of a permanent nature, the loan not having been appropriated to permanent reduction of expense to the extent supposed. Mr. Metcalfe then entered into a detailed account of the expenditure of the loan, as received from the Minister. But as the subject of that despatch, and of those dated the 5th and 14th April of the same year, together with the minutes of the Governor-General and the Members of Council, will be adverted to in the sequel of this letter, we will proceed with the narrative, in the order in which the Hyderabad correspondence appears in our proceedings.

8. On the 7th November 1821, Mr. Metcalfe reported the settlement and limitation of the land revenue in most of the districts in the northern and western frontiers; and expressed his opinion, in strong terms, of the rapacity of the Minister's disposition, and of the necessity of our interference, to prevent the utter ruin of the country. That despatch will be found recorded on our proceedings of the annexed date.§

9. On the proceedings noted in the margin,‖ your Honourable Court will observe that Mr. John Palmer, of Caleutta was summoned to attend at the Council Board, to answer some questions proposed to him by the Governor-General, regarding the fact of his having apprized his Lordship that a person of consequence had expressed his persuasion that Mr. Russell, the late Resident at Hyderabad, was connected with the house of William Palmer and Co. in their transactions with the Nizam's Government. On that occasion, his Lordship produced an affidavit, forwarded by two of the members of the house, in consequence of his Lordship's having incidentally expressed regret that he had not persevered in his proposal of having Sir William Rumbold sworn at the Council Board to answer to the point. The affidavit declared, among other matters, that no public functionary, at the head of any public office or department, had any avowed or secret partnership with them, nor any interest in their concerns, which could influence him in countenancing the dealings of the house with the Nizam's Government, or give him any personal advantage from those dealings. The questions proposed to Mr. Palmer, with his answers and the affidavit, are recorded on the proceedings of the annexed date; ‖ but no specific proposition having been founded upon them, no farther proceeding referring to those documents was held at the time. The affidavit will be again adverted to in the sequel of this dispatch.

10. On the 2d of May last, we had the honour to receive your Honourable Court's letter of the 28th November 1821, conveying your sentiments on the pecuniary transactions of the house of William Palmer and Co., and directing that the Aurungabad arrangement should be brought to an immediate close.

11. We lost no time in fulfilling the orders of your Honourable Court.

12. On

* Political Consultations, 24th February 1821.
† Ditto ..... 7th April 1821.
‡ Ditto ..... 5th May 1821.
§ Ditto ..... 8th December 1821.
‖ Ditto ..... 10th May 1822.

12. On the 7th June, we issued instructions to Mr. Metcalfe to bring to a speedy termination the arrangement in question, as well as all the other pecuniary dealings of the house, to which the Minister's guarantee was in any manner pledged. Our instructions to Mr. Metcalfe are recorded on the annexed date.* Political Letter from Bengal, 20 Dec. 1822.

13. On the 20th of June,† the Resident reported his tour through the south-east and north-east parts of the Nizam's territories; stating that various abuses had been disclosed by it, and expressing his conviction of the necessity for our interference, to save the country from impending ruin. Mr. Metcalfe, in the dispatch above referred to, stated that he had repeatedly failed to obtain from Rajah Chundoo Loll some accurate view of the state of the finances; that the minister was borrowing money from various quarters; that he was anticipating the public revenue by assignments; and that there was reason to believe he was lavishing the resources of the State for the support of his own power, while he left the army unpaid. Mr. Metcalfe observed, that if the Minister persisted in this course, the load of debt would either crush the Government or ruin its creditors. The Rajah, he added, had professed an anxiety to pay off the last great loan of sixty lacs, which he proposed to effect by raising thirty lacs in the course of the next twelve months, if the British Government would advance thirty-five lacs on the security of the peshcush for the Northern Circars; but Mr. Metcalfe expressed his doubts of the Rajah's ability to raise the amount proposed. Mr. Metcalfe further reported, that little or no progress had been made in the liquidation of the debt to the house of William Palmer and Co.; and that it appeared the Minister had a separate account with that house for a further debt, running at twenty-four per cent. Adverting to the limited resources of the Nizam's Government, and the improvidence of Rajah Chundoo Loll, Mr. Metcalfe expressed his belief, that the State could not support the high rate of interest on those loans; and that as there were loans to others, besides the house of William Palmer and Co., the latter had more serious evils to apprehend, than the repayment of their loan before the expiration of the period in which it had been calculated that the principal and interest would be extinguished. Mr. Metcalfe was of opinion, that sixty-five lacs, the sum which the Minister proposed, with the aid of the British Government, to raise, would not redeem the whole debt to William Palmer and Co.; and that the Minister would be unable to raise the requisite sum from the surplus revenue, and talked of raising twelve lacs by a forced contribution.

14. In reply, we informed Mr. Metcalfe,‡ that as under the last orders of your Honourable Court, we felt that we had a latitude of discretion in assisting the Nizam, we were willing to entertain the proposition of Rajah Chundoo Loll, respecting which we desired Mr. Metcalfe to report, whether the Minister had made any communication in writing. We also desired the Resident to require from the Minister a detailed plan of the means by which he proposed to raise his share of the amount proposed to be applied to the liquidation of the debt, and to renew his instances with the Rajah to furnish him with a correct statement of all the pecuniary obligations he had contracted. We added, that as there was room to doubt the Minister's ability to raise the thirty lacs, we should be prepared to consider the expediency of extending the advances to be made on the mortgage to us of the peshcush, a latitude which we conceived the constructive license of your Honourable Court, above noticed, to warrant.

15. Previously to the despatch of the above instructions of the 19th July, we had received a letter from Mr. John Palmer, of the house of Palmer and Co. of Calcutta, representing the difficulty in which the firm of William Palmer and Co. had been placed, by the late orders for stopping the Aurungabad arrangement, as implying the loss to that house of the countenance and protection of the British Government, and soliciting some modification of those orders, to avert the utter ruin of that house.

16. The Governor-General, in a minute dated the 15th of July, proposed that instructions should be immediately dispatched to the Resident at Hyderabad,

* Political Consultations, 7th June 1822.
† Ditto ..... 19th July 1822.
‡ Ditto ..... ditto.

Political Letter from Bengal, 20 Dec. 1822.

abad, explaining the orders of your Honourable Court. On this occasion, his Lordship observed that your Honourable Court, by your orders of the 28th November 1821, not only regarded the Minister's repayment of advances by the house as an article in the termination of the transaction, but cautioned us against injuring the credit of the firm; and remarked, that the dry manner in which the Resident had executed his instructions of the 7th June, might be ascribed to our not having satisfied him of your Honourable Court's anxiety as to affecting the interests of the house. His Lordship accordingly communicated to the Board a draft of instructions to be expedited by express to Mr. Metcalfe, in which the other Members of Council having concurred, stating the grounds of their concurrence in their respective minutes of the 16th and 17th July, the letter was dispatched to Mr. Metcalfe on the latter date.

17. The substance of the above instructions was, that the Resident should apprize the Minister that your Honourable Court's orders referred only to pecuniary transactions between the Nizam's Government and the firm of William Palmer and Co., and that, with these exceptions, the countenance of the British Government had not been withdrawn from them. The Resident, we remarked to Mr. Metcalfe, had no doubt pointed out to the Minister the obligation on his honour and good faith, to make an early payment of balances on unadjusted accounts ordered to be closed. We, at the same time, directed Mr. Metcalfe to inquire further into the circumstances of the loan reported in his letter of the 20th June, above adverted to. The letter from Mr. John Palmer, the minutes of the Governor-General and of the Members of Council, and the instructions to Mr. Metcalfe, of which the substance has been now given, will be found recorded on the proceedings of the date noted in the margin.*

18. On the 5th of July, Mr. Metcalfe reported the execution of the instructions of the 7th June, for the annulment of the Aurungabad contract. He stated that the Minister had expressed great satisfaction at the orders, as relieving the Nizam's Government from an unnecessary expense, and had readily undertaken to make an arrangement for the regular payment of the troops, in lieu of that which had now been closed. Two of the principal partners of the firm of William Palmer and Co., he stated, had waited upon him, to complain of the orders, as threatening the very existence of their house, and had urged the postponement of their execution for four or five months. Mr. Metcalfe observed upon this, that he would have felt himself justified by the spirit of his orders, to accede to the earnest request of those gentlemen, had they shewn any reasonable ground for their alarm, beyond what would necessarily attend the discontinuance of an arrangement formed with the sanction of the Government.

19. In the same dispatch, Mr. Metcalfe reported that he would defer a detailed reply to our instructions of the 7th June, until he could obtain certain accounts from the Minister; briefly remarking, that the Aurungabad plan had, in practice, answered the expectation formed of it, but at a considerable charge, which might have been avoided; and, in explanation, pointing out the mode in which the payments by the house were conducted. Mr. Metcalfe added, that the usual resource of the Minister, on occasions of difficulty arising from the failure of funds in one quarter, was to supply deficiencies by giving assignments on other districts; which Mr. Metcalfe considered as very objectionable, and stated that the discontinuance of that practice, and of the extended influence of the house resulting from it, would be among the advantages of the Aurungabad arrangement being stopped.

20. The same system, however, Mr. Metcalfe stated, prevailed with regard to the payments on account of the interest on the sixty lac loan; and there being no public treasury from which payments could be made, the ruinous practice of granting assignments seemed to be unavoidable. Mr. Metcalfe then proceeded to notice the other dealings of the house with the Minister, referred to in the instructions of the 7th June; expressing his disbelief of the Minister's assertion, that they were not guaranteed by him; and observing, that even admitting it to be true, the influence of Messrs. William Palmer and Co. with the Minister was, in practice, equivalent to a guarantee. In the letter

* Political Consultations, 19th July 1822.

letter from Messrs. William Palmer and Co. to the Resident, which was enclosed in the despatch here adverted to, they stated their compliance with the orders of Government, and alluded to the difficulty of coming to a settlement with the individuals indebted to them: a statement which Mr. Metcalfe confirmed; but promised to press the parties either to close transactions with them, or give other competent securities. Mr. Metcalfe's despatch, and our reply, will be found recorded on the proceedings of the annexed date.*

Political Letter from Bengal, 20 Dec. 1822.

21. On the 29th July, Mr. Metcalfe reported, in reply to the instructions of the 17th of that month, adverted to in the seventeenth paragraph of this letter, that the Minister had been aware, from the first, that the order of Government did not apply to any dealings not involving his guarantee, and that he was also fully sensible of the obligations upon him to pay all balances due. Mr. Metcalfe stated, that he did not know whether the paramount exigencies of the state would admit of this being done immediately: That a part of the troops and other public establishments, the household list and privy purse, were believed to be in arrears, and that other creditors were neglected, in order that William Palmer and Co. might receive the largest possible assignments. He further alluded to the impression on the Minister's mind of the power and influence of the house; and stated his opinion, that although Chundoo Loll had repeatedly entreated to be released from their trammels, his persuasion of their power would ensure them every possible advantage. Mr. Metcalfe then proceeded to shew, why the house had taken alarm for the consequences of the orders of the 7th June, pointing out the peculiarity of their situation from the circumstance of their capital being for the most part borrowed, and chiefly locked up in loans to the Nizam, so that the least run upon them would necessarily be attended with great danger.

22. With respect to the twenty-five per cent. interest account, adverted to in our instructions of the 17th July, Mr. Metcalfe reported, in the same dispatch, that it exhibited a balance, at the period to which it was brought up in the documents submitted to him by the Minister, of about twenty-five or twenty-six lacs of rupees against the Government; that it was entirely a public concern, for which the Nizam's Government and the public revenues were responsible, and was distinct from the sixty lac loan and the Aurungabad arrangement. On this subject Mr. Metcalfe stated, that he would submit further information at a future time.

23. In a dispatch dated the 1st August, Mr. Metcalfe submitted the accounts between the Nizam's Government and the house of Messrs. William Palmer and Co., as furnished to him by Rajah Chundoo Loll. For the details of those accounts we must necessarily refer your Honourable Court to the despatch itself, which is recorded as per margin.† It is sufficient to state in this place, that they demonstrate, that instead of any reduction having been effected in the sixty lac loan, there was an excess of more than six lacs; and that from the nominal amount of the loan was to be deducted a bonus of fifteen and three quarters per cent., or eight lacs of rupees; for which amount, as repaid, credit was given in the first six months' accounts.

24. In like manner, in the twenty-five per cent. interest account, the amount due in August 1820 was about 14,70,000 rupees, and in January 1822 it was 26,71,000 rupees, being an increase of twelve lacs on that account.

25. The increase on both accounts, including the bonus as a part of the sixty lac loan (or new debt), was 10,22,000 rupees; and setting aside the bonus as not having been advanced, the real increase was 18,22,000 rupees.

26. Mr. Metcalfe then proceeded to point out certain items in the twenty-five per cent. loan as requiring explanation, on some of which the Minister had declined (unless pressed) to furnish any. With respect to the allowance to Dr. Currie, constituting one of the items referred to, Mr. Metcalfe stated, that that gentleman was surgeon to the Residency, and a partner in the house of Messrs. William Palmer and Co., in the former of which capacities he received a salary of 1,200 rupees per mensem, for medical attendance at the court of the Nizam. Mr. Metcalfe also added some remarks on the item of

64,800

* Political Consultations, 26th July 1822.
† Ditto ..... 13th September 1822.

Political Letter from Bengal, 20 Dec. 1822.

64,800 rupees, which was stated to be the yearly allowance received by Mr. William Palmer and his family from the Nizam's Government.

27. In our instructions of the 13th September, in reply to Mr. Metcalfe's dispatches of the 29th July and 1st August, we took a review of the transactions referred to in those letters, and in Mr. Metcalfe's previous reports of the 17th of March and 5th April 1821; from which we could not resist the presumption of a misappropriation by the Minister of the amount of the loan. We were further led to surmise the existence of various pecuniary dealings between him and the house of Messrs. William Palmer and Co., unsanctioned by the Resident and the British Government. We entered into some detail, in order to shew the grounds of this opinion, which need not here be repeated; and concluded this part of the subject, by directing the Resident to communicate the above remarks to the house of William Palmer and Co, and to receive any explanation they might have to offer.

28. We then proceeded to state to Mr. Metcalfe some observations on the account of the old debts due to the house, as reported in his letter of the 1st of August; remarking, that it was difficult to reconcile the statement by Messrs. William Palmer and Co. of the pecuniary transactions between them and the Nizam, in their letter to the Resident of the 15th January 1821, with the account now submitted by the Resident; and we desired that the firm should be called on for an explanation. We also adverted to the large monthly allowance to Messrs. William and Hastings Palmer, and to the children of the former; remarking, that those payments to persons who must be presumed to be unconnected with the Government of the Nizam, struck us as of a very singular nature; more especially with reference to the situation of the two Messrs. Palmer, and to the large pecuniary dealings which, as members of the house of William Palmer and Co., they had with the Minister.

29. We next adverted to the item of charge comprising the allowance to Dr. Currie, as stated by the Resident to be a partner in the house. We apprized the Resident of the affidavit made by two members of the house, already alluded to in paragraph nine of this letter; observing that the object of it was apparently to remove suspicions of connexion between the house and the late Residency; and we desired Mr. Metcalfe to state the grounds on which he had described Dr. Currie as a partner.

30. We then resumed the subject of the Minister's proposition to pay off the loan, apprizing Mr. Metcalfe that, notwithstanding the presumed misconduct of the Minister and the house, we were still disposed to promote an arrangement, which should enable the former to discharge that portion of the debt, at least, which was incurred under the sanction of the British Government, provided security was afforded of its faithful application to the proper purpose, and of the discontinuance of all further connection with the house. As to the old debt due to Messrs. William Palmer and Co., we observed that the firm had no claim to any interference of the British Government for its liquidation; but that, nevertheless, to facilitate a general settlement, and an early and complete separation of interests, we could not object to include in the adjustment to be made, by means of funds raised through the instrumentality of the British Government, such portion of it as might appear to be *bond fide* of a public nature; for the remainder the house must be left to its own means.

31. Previously, however, to any step towards a general settlement, we deemed it necessary that the Minister should afford distinct assurance of more satisfactory conduct on his part, with regard to the application of the resources of the state generally, as well as of the funds to be placed at his disposal, and of his sincere and cordial co-operation in the reform which he had engaged to effect. We required a full and unreserved statement of debts, an exact return of revenues, and of all public establishments and disbursements, as preliminary to our taking into consideration the extent to which pecuniary assistance would be afforded; and, in conclusion, we intimated to the Resident, that it was not our wish to withdraw the assurances of support which had been given to the Minister, adding, that they might be renewed to the Minister, though we had not failed to perceive the lukewarmness of Chundoo Loll in the affair of reform, acknowledged by himself to be necessary to save the state from ruin. Mr. Metcalfe's despatches of the 29th July and 1st August, and our instructions,

as

as above reported, will be found recorded on the proceedings of the date inserted in the margin.* Political Letter from Bengal, 20 Dec. 1822.

32. Your Honourable Court will have observed, that in the foregoing instructions we have alluded to the reports from the Resident at Hyderabad, under dates the 17th March and 5th April 1821. Those reports related principally to a plan suggested by Mr. Metcalfe, of raising money to enable the Nizam's Government to pay off the loan to Messrs. William Palmer and Co. The subject was discussed in various minutes by the Governor-General and the Members of Council, and a reference was made to the Advocate-General, for his opinion on some points arising out of that discussion. The doubts then entertained by the Governor-General of the legality of the measure proposed by the Resident, as well as of that suggested by one of the Members of our Board (Mr. Fendall), for purchasing the peshcush, rendered it impracticable to come to any conclusive decision at that period, and the several despatches, minutes, and letters to and from the Advocate-General, were withheld from record by the Governor-General, who had purposed fashioning from them a connected statement of the subject. The subsequent receipt of the letter from your Honourable Court of the 28th November 1821, removed, in some measure, the doubts entertained by his Lordship. The tenor of your observations appearing, as adverted to in a preceding part of this address, to sanction a certain latitude of discretion, with regard to assisting the Nizam in obtaining a loan on easier terms, the consideration of the scheme above adverted to was therefore resumed; and a communication, as stated in the fourteenth paragraph of this letter, was accordingly made to the Resident, on the 19th of July last, directing him to acquaint the Minister of our readiness to entertain his proposition. The instructions of the 13th September, above recited, were intended to follow up that scheme, as well as to institute the necessary inquiry into certain proceedings of the firm, reported by Mr. Metcalfe, and adverted to in the minutes of the Governor-General and the Members of our Board. Those despatches and minutes were ordered to be placed on record, after the instructions last referred to, *viz.* 13th September, with the intent to take up the consideration of any points contained in them, relative to the measure of reform, and other matters in connection with the reports since called for from Mr. Metcalfe.—It will be sufficient, we trust, to refer your Honourable Court to the documents above adverted to, for the fullest information on the subject discussed in them, since any recapitulation of their contents would lead into great detail, and materially interrupt the course of the narrative of our proceedings in regard to the affairs of Hyderabad, in the order of time. Your Honourable Court will find the whole series recorded on our political consultation of the annexed date.†

33. It may be proper, however, before quitting this part of the subject, briefly to advert to one point connected with our former proceedings. We allude to a private letter from the Governor-General to the late Resident at Hyderabad, Mr. Russell, on the 26th October 1819, on the subject of the reform of the Nizam's dominions. This letter appears to have been accidentally omitted to be recorded with the official despatch from Mr. Russell of the 24th November of that year; but as copies of both those documents were transmitted by the Governor-General to the Chairman of your Honourable Court, in his letter of the 21st December 1819, and had been referred to in the Honourable the Secret Committee's despatch of the 22d June 1820, no inconvenience could have been experienced from the accidental omission of the former document. As it was intended, however, that it should form an official record of Government, we directed that it should be placed on the proceedings, and your Honourable Court will find it recorded on our consultations above adverted to.

34. On our proceedings of the 24th August last,‡ your Honourable Court will observe translations of certain papers laid by the Governor-General before the Board, being complaints by Rajah Chundoo Loll against Mr. Metcalfe, for having withdrawn his confidence from him, and having interfered in the internal administration of the country, to an extent unpalatable to the Minister, as exposing him to the displeasure of his Sovereign, and to the hazard of falling a victim

* Political Consultations, 18th September 1822.
† Ditto. ..... ditto.
‡ Ditto. ..... 24th August, 1822.

Political Letter from Bengal, 29 Dec. 1822.

a victim to the intrigues of his enemies, who were plotting his removal from office. We propose to postpone the report of our proceedings in this affair, as well as on another question, regarding the degree of interference to be exercised by the British Resident in the Government of the Nizam, which was brought before us by Mr. Metcalfe, in a despatch dated 31st August, until we shall have concluded the summary of our proceedings, up to the latestdate, with regard to the settlement of the accounts between the Government of His Highness and the house of William Palmer and Co.

35. In a despatch* dated 8th September last, Mr. Metcalfe, in reply to the instructions of the 19th July, entered into a detailed exposition of the pecuniary transactions of the house of William Palmer and Co. with the Government of the Nizam. The delay which had occurred in the execution of those instructions, was ascribed by Mr. Metcalfe to the want of the requisite documents, the Minister imputing the blame to the house. Mr. Metcalfe accordingly prefaced his report, by observing that he had been compelled to content himself with the loose estimates furnished by the Minister.

36. Respectfully referring your Honourable Court to the despatch itself, the contents of which are too voluminous to be stated in detail in this place, it will be sufficient to notice the principal heads of it as follow.

37. The debt due to William Palmer and Co., on the 20th July last, was stated to be Rupees 93,51,757, from which was to be deducted ten lacs of assignments in hand: the debt, therefore, with such encrease or decrease as might intermediately occur, would stand at Rupees 83,04,569.

38. Other debts of the Government were estimated as follow:

To native money lenders	Rupees	17,34,509
Arrears to Troops		15,00,000
Unsettled claims of the British Government on account of cessions, if exacted		10,00,000
Usual advance of peshcush		4,00,000
	Rupees	46,34,509

The total, therefore, of the debts to William Palmer and Co., and of items due to others, was Rupees 1,29,39,078.†

39. This account, Mr. Metcalfe stated, was more likely to be under than above the real amount of existing obligations.

40. The statement of the present revenue and expenditure could not be relied on as accurate, but was reported to be as follows:

Revenue, including the peshcush	Rupees	1,89,33,553
Expenditure, inclusive of interest of debt		1,75,11,400
Surplus, applicable to charges of debt.....	Rupees	14,22,153

41. The debt of William Palmer and Co. in 1820 was supposed to be sixty lacs, and an arrangement was then made for liquidating it in a certain time, by annual payments of sixteen lacs. In reality it was even more; and on the 21st July last, instead of being reduced, it had encreased, as above stated, to more than ninety-three lacs. There is reason to imagine, that a considerable portion of this augmentation arises from the withdrawing from Messrs. William Palmer and Co. tunkhas so near liquidation, that in the former account they had given the Minister credit for those assignments as ready money. When other tunkhas, payable at a remote date, were substituted, with a probability that payment might still further be delayed, the amount became classed as debt.

42. A comparison of the state of various debts due to the firm on the 20th July last, with what it was on the preceding six months settlement of accounts; exhibited a net encrease of Rupees 60,795.5.6.

43. Within

* Enclosure, No. 5.

† To the house ..... Rupees 83,04,569.
Other Debts ..... 46,34,509.
1,29,39,078.

43. Within this period of six months, it appeared that the assignments actually realized on the two accounts of the old and new debts had amounted to Rupees 9,89,410, shewing that payments at the rate of Rupees 18,78,821 per annum (being an excess of Rupees 2,78,821 above the stipulated sum of sixteen lacs per annum), instead of discharging the debt in a given time, did not even prevent its increasing.

44. With respect to the Aurungabad concern, Mr. Metcalfe, in his dispatch, of which we are now recapitulating the substance, stated, that the accounts of the balance had not yet been received by him. They were said to be Rupees 7,98,769, making up, with the balances before mentioned, the total debt, on the 20th July last, at Rupees 93,51,757. 4. 3.

45. Mr. Metcalfe further stated, that assignments on the revenues for the current year had been issued to Messrs. William Palmer and Co. to the amount of twenty-five lacs, which was more than ten lacs above the means properly applicable to such a purpose, and could not therefore be paid without creating embarrassment in other quarters. The Minister, Mr. Metcalfe reported, proposed to furnish, for the payment of William Palmer and Co., in addition to the above twenty-five lacs, a further sum of twelve lacs, to be levied by forced contributions; but Mr. Metcalfe did not expect that the performance would come up to the promise. The original proposition of the Minister, he observed, was for thirty-five lacs to be advanced by the British Government, and thirty lacs to be provided by himself, which would enable him to pay off the estimated debt of sixty-five lacs to the house. The plan for raising the thirty lacs was stated to be the appropriation of the sixteen lacs payable annually to William Palmer and Co., and to add twelve lacs, by forced contributions, the two remaining lacs to be supplied by some expedient not explained.

46. On this plan Mr. Metcalfe remarked, that the Minister had forgotten to deduct from the sixteen lacs the sum of seven lacs of the peshcush, which would no longer be a receipt of the Nizam's Government; the sixteen lacs, therefore, would have gone but a short way to accomplish the Minister's purpose, while the justice and practicability of raising the twelve lacs by contribution, appeared to Mr. Metcalfe to be very doubtful. He considered the whole plan, therefore, to be delusive.

47. In the same dispatch, Mr. Metcalfe states his opinion, that the debt to the firm could not be less than eighty-five lacs; and observed, with reference to the Minister's proposition for an advance from the British Government of thirty-five lacs, in discharge of part of that debt, would have been highly advantageous to the House, by securing them against eventual dangers, to which the overgrown state of this loan had exposed them.

48. Mr. Metcalfe reported, in reply to the reference regarding the point, whether the proposition of the Minister, above alluded to, was verbal or written, that it was the former, and had been pressed with an eagerness that he could not account for at the time, though the motive had since become sufficiently intelligible. As this part of the subject, however, is connected with the Minister's complaint against Mr. Metcalfe, it will be resumed in the sequel.

49. The original proposition of Chundoo Loll appearing to the Resident to be so unsatisfactory and inadequate, Mr. Metcalfe recommended him to submit one which would render the expected aid from the British Government more effectual. The Minister accordingly proposed that the sum of eighty-five lacs should be lent to him for the discharge of the most pressing demands, as an advance on account of the peshcush, stating the mode in which he was ready to liquidate the loan, by assignments, in addition to the peshcush, to be reserved by us until the whole debt was discharged. For the detail of this plan and Mr. Metcalfe's observations on the subject, we must refer your Honorable Court to the dispatch* itself. It will be sufficient to notice, in this place, that it appeared, the Minister was not disposed to encourage the plan of his receiving pecuniary aid beyond the sum of eighty-five lacs. This, the Resident observed, was calculated by the Rajah to be sufficient to discharge the debt to the house, on which point alone he professed to be anxious. With regard to the debts to native bankers, the Minister, he stated, made light of them, declaring that he would allow no more interest; that they had had enough, and that their whole debt indeed was little else but interest. Mr. Metcalfe remarked, however, that although the Minister appeared to be averse to receive pecuniary assistance

* Enclosure, No. 5.

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assistance to a greater extent than eighty-five lacs, the discharge of the whole demands against the Nizam's Government, estimated at Rupees, 1,29,39,078 would place the Government in such a state of ease and disembarrassment, as would offer the best opportunity for fixing its future disbursements, so as to prevent recurrence of past evils. He further observed, that if the advance of so large a sum should be deemed too great an effort for the benefit of the Nizam, the payment of the debt due to William Palmer and Co., by an advance of eighty-five lacs, as proposed by Chundoo Loll, would still be an immense advantage to the Nizam's Government, by enabling it to settle other debts, the interest on which, he conceived, might be reduced to twelve per cent.

50. As it would be injurious to William Palmer and Co. to have the whole of their loans paid off suddenly, Mr. Metcalfe suggested that he might be authorized to consult their convenience, in that respect, within reasonable limits: the interest to be reduced to 12 per cent. from the day on which payment should be postponed, solely on account of their accommodation.

51. On the receipt of Mr. Metcalfe's dispatches, above quoted, we deemed it expedient, previously to coming to any decision as to the extent of the pecuniary aid to be advanced for the relief of the Nizam's Government, to consult the Accountant-General,* whether cash, to the extent of a crore of Calcutta sicca rupees, could be advanced from our treasuries, without inconvenience to the public interests, and in what manner he would propose that the remittances to Hyderabad should be made. The security we proposed to demand, in the event of the advance being decided on was, that of the peshcush of seven lacs of Madras rupees, and of certain purgunnahs of the Hyderabad state, the revenues of which were to be appropriated in mortgage till the debt should be redeemed. We were of opinion, also, that the amount to be so advanced for the benefit of his Highness should be repaid, at latest, before the expiration of the present charter; but preferably, in six or seven years, if it could be so arranged.

52. On the receipt of a further dispatch† from Mr. Metcalfe, of the 16th October last, being an answer to the instructions of the 13th September, and containing, among other matters, for the detail of which we are compelled to refer your Honourable Court to the dispatch itself, an exposition of the state of the debts due to William Palmer and Co., we were confirmed in the opinion, as to the expediency of making an effort to save the Nizam's Government from the ruin in which its pecuniary embarrassments must otherwise involve it. The Governor-General accordingly stated, in a minute‡ dated the 14th November, the view which he took of the question.

53. His Lordship observed, that the measure which must be the basis of any solid relief to the state of Hyderabad, was to provide the Minister with money at a moderate rate, wherewith he might be enabled to discharge all debts outstanding at a heavy interest. The last letter of your Honourable Court, relative to the transactions of Messrs. William Palmer and Co., his Lordship remarked, made him feel authorized to extend an accommodation which he would not otherwise have considered within the bounds of his duty. When your Honourable Court, he observed, had expressed regret that means had not been devised, which would have given the British Government the credit of assisting its ally, the inference was clear, that the temporary application, for such a purpose, of money lying idle in the treasury, and, therefore disposable for a certain interval without inconvenience to the public interests, would be approved by you. Were not this conclusion so distinct, his Lordship would not hold himself justified in furnishing aid from these funds, even for a specified period; but as it was, he was prepared to allow the advance of a sum, not exceeding a crore of rupees, at an interest of six per cent., fixing a term and requiring adequate security for repayment.

54. The several Members of Council having expressed their concurrence in his Lordship's views, in their minutes of the 14th,§ 17th,‖ and 18th¶ November, and the reply from the Accountant-General of the 16th** of the same month being favorable to this plan, we issued instructions to the Resident, under date the 23d November,†† acquainting him with our determination to advance a sum of money, to the extent of a crore of Calcutta sicca rupees, for the settlement of all burdensome debts.

55. The

* Enclosure, No. 6. † Ditto, No. 12. ‡ Ditto, No. 13. § Ditto, No. 14.
‖ Ditto, No. 15. ¶ Ditto, No. 16. ** Ditto, No. 18. †† Ditto, No. 19.

55. The explanations of the Minister, and Messrs. William Palmer and Co., regarding the state of their accounts, submitted in Mr. Metcalfe's dispatch of the 16th October, above referred to, was still so vague and unsatisfactory, that on the 19th November* we directed the Resident to require a complete account-current between the parties, commencing from the time when the House first had dealings with his Highness's Government, or at least so far back as to include all charges now brought forward, without any unexplained balance. In our instructions of the 23d November,† we adverted to the call which we had made for the accounts above adverted to; and observed, that supposing they should be furnished, and a balance adjusted by the consent of both parties, we were of opinion, that it would not be indispensable to delay the final settlement, in order to ascertain precisely the extent of the pecuniary claims on the Hyderabad Government, provided the Minister should acquiesce in all the conditions required of him, as to security, mortgage of purgunnahs, &c., and the discontinuance of all pecuniary dealings with the firm.

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56. We further stated, in the instructions last referred to, that consonantly with the principles on which we proposed to enable the Minister to discharge the demands of the house, we conceived that our procedure should be to see that all claims, justly arising out of arrangements sanctioned by the British Government, were honestly liquidated; but that arrears of stipends, for instance, or gratuities to the house, extraneous to the licit course of the contracts, and demands springing out of credit spontaneously given by the house, either to the Nizam or to individuals, must rest entirely on the good faith of the parties so trusted. Although, it seemed proper to establish this principle, we stated that it would be at our discretion to relax it in favour of other demands, should it seem desirable, on grounds of expediency, to extinguish the whole debt to the house, in order fully to remove all chance of future embarrassment, arising out of the non-payment of such demands, which would thus continue to run at a heavy rate of interest.

57. With a view to the further relief of his Highness's Government, we expressed our willingness to take into consideration the application of any portion of the proposed advance which might remain after the adjustment with Messrs. William Palmer and Co., to the discharge of the most pressing debts to native Soucars and others, or to the accomplishment of an arrangement for reducing the rate of interest on those debts, so as to afford the hope of their extinction within a reasonable time. We further authorized Mr. Metcalfe to make an advance to Messrs. William Palmer and Co. of a sum not exceeding ten or twelve lacs, without waiting for the final adjustment of accounts, if any severe or extraordinary pressure on the house should appear to him to render such immediate repayment a matter of importance to the house.

58. We added some instructions regarding the most expedient mode of remittance, to which it is unnecessary more particularly to advert here; observing, that although we had treated the subject, as if it were ultimately settled that the British Government should come forward to pay off the debts due to William Palmer and Co., the Resident must be careful, in his communications with the Minister on the subject, to apprize him distinctly, that we were not pledged to the fulfilment of our intentions, until we should be fully satisfied on every point of discussion which might arise in the adjustment of the accounts, and the terms on which the advance was to be made, as well as assured of the Minister's cordial disposition to co-operate in the objects of reform, as stated in our instructions of 13th September last. On this point we stated some observations to be communicated to the Minister, on which we should require the most satisfactory assurances, preliminary to the conclusion of any arrangement for the relief of the Nizam's government. These were, the Minister's agreeing to establish a regular system of settlement, collection, and account, without which we could have no certainty that the advance of our funds would be attended with any permanent advantage; while, on the contrary, the relief from his present embarrassments might only enable him the better to commence a new course of extravagance, and, at the end of a few years, the state of Hyderabad would be equally involved, when the peshcush whence it might seek disembarrassment had been already appropriated.

* Enclosure No. 17. † Ditto No. 19.

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priated. With regard to the revenue settlement, we observed, that that object had been, in a great degree, accomplished by Mr. Metcalfe; and that, as to the other objects above adverted to, we were not prepared to prescribe the particular measures to be pursued: but the appointment of responsible officers liberally paid, the establishment of a Sudder office of revenue accounts, to which all the Tehsildars and other Mofussil officers should be subordinate, and also the institution of a general treasury, in order to supersede the ruinous practice of granting tunkhas on the districts, seemed to be indispensable arrangements to be pressed on the Minister's adoption.

59. Regarding the pergunnahs to be eventually mortgaged to us, we directed the Resident to acquaint the Minister, that we expected to have the option of taking them under our immediate management, should such a measure be deemed expedient.

60. Your Honourable Court will observe in the conclusion of the instructions, the substance of which is above stated, an allusion to a debt due by the Nizam to the British Government, on account of the revenues of the territory conquered from the Paishwah. On that subject we shall have the honour to address the Honourable the Secret Committee in a separate letter, relative to the treaty pending with his Highness for the adjustment of those matters.

61. To revert to the subject of Mr. Metcalfe's despatch of the 16th October, it would lead us into too much detail to notice particularly the defective explanations of the house of William Palmer and Co., regarding the bonus and the allowances granted to Messrs. William and Hastings Palmer, and the children of the former, as well as the shifting of sums from the old to the new debt account, and *vice versâ*. The further explanations since called for, together with the full accounts-current to be furnished by the house and checked by the Minister, will, we trust, enable us to unravel all that at present appears obscure. The latter part of that despatch, however, containing Mr. Metcalfe's reply to the reference made to him in the instructions of the 13th September, regarding the affidavit, may be conveniently adverted to in this place.

62. On this subject Mr. Metcalfe stated, that he was placed in a very embarrassing situation. If he remained silent, he observed, he would seem to admit the veracity of the affidavit without qualification: if he unravelled the apparent deception, he might drag into light what, for any public purpose, might as well remain in its present obscurity.

63. After alluding to the inaccuracy of the affidavit under his construction of it, as shewn by the fact of Doctor Currie being a partner in the house, Mr. Metcalfe proposed a test to be put to Messrs. William Palmer and Co., to which if they agreed to make oath (and which he supposed impossible), he stated that he would consider it his duty to avail himself of the means within his power to disprove it.

64. Although the Governor-General considered the affidavit as meant to be restricted to the period of the Aurungabad contract and sixty lac loan, the only term which had been in question before the Council, the above observations, on the part of the Resident, appeared to render further explanation necessary; and we issued instructions to the Resident, of the date noted in the margin,* directing him to propose certain questions to the several Members of the firm, and to submit to us, with their reply, such explanatory statements and information, as might assist us in forming a judgment on the case.

65. We now proceed to advert to the Minister's complaints against the Resident, as briefly noticed in the thirty-fourth paragraph of this despatch.

66. On the 24th August,† the Governor-General laid before the Board translations of letters, and other Persian documents, from Rajah Chundoo Loll, forwarded to his Lordship through Mr. John Palmer of Calcutta, by the intermediation of Mr. William Palmer. The letters contained complaints against the Resident, as before stated, and referred to a note accompanying them, which

* 30th November 1822. See Enclosure No. 20.
† Political Consultations, 24th August 1822.

which the Rajah had delivered to Lieutenant Barnett, the Assistant in charge of the Residency, in Mr. Metcalfe's absence on a tour, and to which he complained that no answer had been returned. The note contained a statement of the affairs of the Government and the Rajah's own circumstances, which he was desirous should be submitted to the Resident, and alluded to some acts of severity alleged to have been exercised by one of the European officers employed by Mr. Metcalfe to superintend the collection of the revenue and management of the country. His Lordship, in laying these papers before the Board, submitted drafts of a letter which he proposed to address to the Rajah in reply, and of instructions to the Resident on the subject of the Minister's procedure.

67. In the letter to the Rajah, the Governor-General stated his disapprobation of the channel through which his letter had been sent, and desired that it might not be adopted in future; pointing out to him that the proper course was to write through the Resident, or the Persian Secretary, to the Government. His Lordship further stated to the Rajah, that Mr. Metcalfe had been instructed to apprize him of the entirely favourable disposition of the British Government to the firm of William Palmer and Co., regarding what were purely commercial concerns, but that they must not interfere in politics. His Lordship concluded by stating, that although he was persuaded the Rajah misinterpreted the disposition of the Resident, when he supposed Mr. Metcalfe to have any view hostile to him, the plighted assurance of support would again be impressed on Mr. Metcalfe's recollection.

68. In the instructions to the Resident, he was called upon to report in detail on the letters and papers in question, and to mention whether Lieutenant Barnett had imparted the latter to him at the time. Mr. Metcalfe was also required to report the date on which he communicated to Rajah Chundoo Loll the favourable disposition of your Honourable Court towards the firm, as directed by our instructions of the 17th July last.

69. Previously to the receipt of the instructions of the 24th August, Mr. Metcalfe had learnt that the Minister had clandestinely conveyed letters to the Governor-General through the channel of Mr. William Palmer. In the conclusion of a despatch dated the 31st August, to which we shall more particularly advert in the sequel, Mr. Metcalfe alludes to this procedure of the Rajah; and, on the 3d September, he reported the circumstances in detail.

70. In the last-mentioned despatch, Mr. Metcalfe reported that the Minister's explanations to him were confused and apologetical. The Rajah informed Mr. Metcalfe that he had previously been apprized by Sir William Rumbold, Mr. William Palmer, and another partner of the firm, of the arrival and reception of his letters by the Governor-General, and had been pressed by them for the immediate payment of five lacs of rupees in discharge of their demands. It was further urged by the Minister, in excuse for his proceeding, that he had been alarmed by reports of intrigues against him, and that, owing to Mr. Metcalfe's reserve, he had never been able to obtain satisfactory assurances of support.

71. In reporting the above circumstances, Mr. Metcalfe observed that he had, for some time past, been sensible of the existence of a plot hostile to him and his proceedings; one part of which was, to alarm the Minister with regard to his disposition towards him. He remarked on the disingenuous conduct of the Rajah, in sending to the Governor-General two documents, which had been disposed of in the ordinary course of business, without reporting the sequel; and stated, that if necessary, that sequel would be supplied by himself, with some comments on the origin of one of those papers.

72. Your Honourable Court will observe, that in the course of the conversation between the Resident and the Minister, the latter professed his great obligations to Mr. Metcalfe, but complained of want of support. He took upon himself, he said, the responsibility of sending the letters, declaring that he pressed it on Mr. William Palmer. The Minister, in the same conference,

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professed his satisfaction at the prospect of being relieved from the ruinous interest on the loans from Messrs. William Palmer and Co., and expressed a hope, that the members of that firm would be prevented from coming to him; but the sincerity of this wish, Mr. Metcalfe observed, might be doubted after what had passed. The Rajah repeatedly acknowledged the fault he had committed, and hoped Mr. Metcalfe would forget and forgive it. Mr. Metcalfe concluded his letter by observing, that he would await our commands regarding the letters of Chundoo Loll. The mode in which they might have been received would either render necessary a very disagreeable detail, or would relieve him from that necessity; while it would also decide, to Chundoo Loll's conviction, what then appeared to be doubtful in the Rajah's mind, whether the Resident or the house of William Palmer and Co. were the representative of the British Government at Hyderabad.

73. With respect to the alarm of Chundoo Loll, as to the intrigues alleged to be carrying on against him, the Resident had previously reported, on 9th August,* a visit which had been made to him by the nominal Prime Minister, Mooneer-ool Moolk, which appears to have excited considerable apprehension in the Rajah's mind. On that occasion, Mooneer-ool Moolk stated, that the object of his visit was to inquire respecting the interchange of territories consequent on the conquest of the Paishwah's country. He approved of the measures of reform introduced by Mr. Metcalfe, and censured the conduct of Chundoo Loll in wasting the public revenues in bribery, for the support of his own power. Mr. Metcalfe endeavoured to impress on his mind a correct notion of the nature and objects of our interference; and he afterwards understood, by a message from Mooneer-ool Moolk, that the Nizam had expressed himself much pleased with the assurances of the Resident's friendly disposition. The visit of the Prime Minister, Mr. Metcalfe observed, was regarded by Chundoo Loll as the commencement of a plot for his removal from office.

74. In a despatch dated 30th September, Mr. Metcalfe reported at great length, in reply to the instructions of the 24th of August. As the detailed explanations into which he has entered appear necessary to a right understanding of his statement of the case, which could not be adequately conveyed by such an abstract of the contents as would suit the limits of this despatch, we must solicit your Honourable Court's permission to refer you to the document itself,† on which you will necessarily form your own judgment.

75. In a subsequent despatch,‡ dated the 7th October, Mr. Metcalfe reported, that he had been requested by the Minister to express his thanks for the honour of his Lordship's letter, and to state, on his part, that he had made that representation under difficulties which left him no other remedy, but would never again have recourse to the prohibited channel of Messrs. William Palmer and Co. The Minister also requested leave to declare, that his objects in writing to the Governor-General were to obtain the Resident's support, and to remove the reproach he suffered from our interference and the double authority resulting from it; adding, that he had no safe reliance but upon the Resident's cordial support; that his enemies wished to have a pretence for sending complaints against him to the Presidency, on the part of his Highness the Nizam and that he hoped, therefore, the Resident would continue to give him the support which had been plighted to him.

76. Mr. Metcalfe reported, in the same despatch, that Chundoo Loll had visited him after his receipt of the note above-mentioned; and we beg to refer to the despatch, for a report of what passed on the occasion.

77. In our reply§ to the despatches of the 30th September and 7th October, just referred to, we remarked, that the presumption was, that Chundoo Loll had been worked upon by secret agents to despatch his complaints against the Resident. The conduct of the Rajah, as reported by Mr. Metcalfe, had, we stated, impressed us with an unfavourable opinion of his regard for truth and fair dealing; and, with regard to the supposed implication of the house of William

* Political Consultations, 13th September 1822.
† Enclosure No. 7. ‡ Ditto No. 8. § Ditto No. 11.

William Palmer and Co. in the intrigue against the Resident, as we were unwilling to condemn them unheard, we instructed Mr. Metcalfe to call upon them to state, collectively and individually, whether they had been acquainted with the contents of the Rajah's letters. Political Letter from Bengal, 20 Dec 1822.

78. On the question of our interference in the affairs of the Government, which your Honourable Court will observe formed a prominent part of the discussion in Mr. Metcalfe's despatch of the 30th September, we referred to our instructions of the 25th of October last, to the subject of which we shall solicit the attention of your Honourable Court in the sequel. We further stated to Mr. Metcalfe, that we did not deem it necessary to enter at large on that part of his despatch which related to the supposed undue influence of the house over the Minister, and the identification of the acts of that firm with those of the British Government. Those questions, we remarked, would be taken up with more advantage, when we should receive the fuller information called for with regard to the pecuniary dealings of the house, preparatory to a final settlement of accounts. Our subsequent instructions to the Resident of the 19th November, referred to in a preceding part of this address, have, we trust, fully provided for the effectual restraint of the house from such proceedings in future.

79. While the draft of the foregoing instructions of the 13th November was in circulation, Mr. Adam recorded a minute,* dated 11th November, in which he referred to a minute by him of the 1st of that month, to which we shall more particularly advert in the sequel of this letter, containing the expression of his very decided conviction of the combination of the house with the Minister. He observed, that the terms of the draft did not go to the extent which he was prepared to do in passing a judgment on the question; but that he had no objection to such further reference as might be desired, for the satisfaction of those to whom the existing evidence was not sufficient. He agreed, therefore, to the despatch of the instructions, with the above explanation and reservation.

80. Mr. Fendall, in a minute† of the 12th November, expressed his opinion, that the facts stated by the Resident were such as to warrant strong presumption against the house: but as the firm had not had an opportunity of stating any thing in their own defence, he thought that the instructions should be dispatched. The Board unanimously concurring in the draft, the letter was accordingly transmitted to Mr. Metcalfe.

81. We now propose to revert to the period between the receipt by the Governor-General of the letters from Rajah Chundoo Loll, complaining against Mr. Metcalfe for his unfriendly conduct and interference in the affairs of the the country, and the receipt by Mr. Metcalfe of our instructions of the 24th August on the subject of those letters.

82. Your Honourable Court will have observed, that the Rajah's note to Lieutenant Barnett was delivered to that officer in the month of June last, and that, in the course of that month or the following, Mr. Metcalfe had discussed‡ with Chundoo Loll the question of our interference for the reform of the state, and had apparently satisfied him of the propriety of it, as reported in Mr. Metcalfe's letter of the 30th September, already referred to.

83. Mr. Metcalfe, however, in consequence of the Rajah's complaints on this point, deemed it necessary to bring the question before us; and accordingly, in a despatch dated 31st August (previously to the receipt of our instructions of the 24th of that month), entered fully into the subject.

84. As this question has been viewed in different lights by the Governor-General and the Members of Council, and as it involves questions of considerable delicacy and importance, it will be necessary to enter at some length into the points referred for our consideration by Mr. Metcalfe, before we notice the view taken of them by his Lordship, on whose sole responsibility the instructions in reply were dispatched to Mr. Metcalfe, under date 25th ultimo.

85. In his despatch of the 31st August,§ above alluded to, Mr. Metcalfe describes his conceptions of the instructions originally issued to the Resident,

* Enclosure No. 9, † Ditto No. 10. ‡ Ditto No. 7. § Ditto No. 1.

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for the interposition of our advice and influence for the benefit of the Nizam and his subjects, and reports the mode in which he had endeavoured to carry them into effect.

86. Under the peculiar circumstances in which the state of Hyderabad at present exists, he considers our interference not merely a right, but a duty also, on our part, as the paramount power; remarking, that if the Nizam, or his Minister, ruled with equity and prudence, that interference was not desirable. But if interference be a duty when it becomes necessary for the relief of the people, it is peculiarly so, in his conception, when the country is governed by a Minister supported by our influence and absolute in his power. The Rajah, he asserts, rules with so despotic and exclusive a sway, that it might be called an usurpation, were it not that the Prince makes no effort to throw it off. The situation of the Prince renders it, therefore, more incumbent on us to take care that the welfare of his dominions should not suffer from the misrule of the servant supported by our power. The country he represents to be in a ruinous state; extortion reigning with unbounding sway, and justice unthought of, except through the aid of British interference.

87. Some measures of reform, he observes, were introduced by Mr. Russell, in several of which our interference had proceeded beyond what was necessary; such as our participation in judicial proceedings, recommendation of native governors of districts; in all of which he (Mr. Metcalfe) has withdrawn his interference entirely. Extortion, he maintains, is the grand vice of the Minister, and yet continues untouched. The cultivators are the victims of unprincipled exaction, and without the means of protection. On this point Chundoo Loll had deceived Mr. Russell. The revenue, in Mr. Metcalfe's opinion, continues to be deteriorating, the population to be emigrating, and all confidence between the cultivators and the Government destroyed; notwithstanding which, and the almost entire exhaustion of every resource of extortion, the Minister is persevering in his ruinous course.

88. This evil had not escaped Mr. Russell's notice. He had persuaded the Minister to relinquish the system of levying revenue through contractors, and to substitute Government collectors; but this had been defeated, by making the collectors responsible for a fixed sum. The first step to reform, therefore, Mr. Metcalfe conceived to be the defining the demands of the Government on the cultivators; and to this the Minister gave his ready consent. Accordingly, a settlement for a term of years was agreed to be made throughout the Nizam's dominions.

89. In some districts, Mr. Metcalfe states, settlements had been made by English officers; in others, the Minister engaged to make them himself. The mode of village settlements was chosen, as most familiar to all; and it had other advantages, which he especially points out. The settlements by the English gentlemen proceeded according to the plan agreed on; but the Minister failed in the faithful performance of his part. Such extortions were committed by the Minister and his dependents, that no hope of the permanency of any arrangements could be entertained, unless information could be obtained of their violations. This, Mr. Metcalfe observes, led to the nomination of officers to receive complaints from the cultivators, and to obtain redress by application to local authorities, or to the Resident, and through him to the Government.

90. Mr. Metcalfe then proceeds to observe, that circumstances, the details of which are given, had proved the necessity of the arrangement he had made. Without such a measure of precaution, he is satisfied, our interference for limiting the demands of the Government, and giving confidence to the people, would have been utterly fruitless.

91. After stating the degree in which the British officers were authorized to interfere, in receiving complaints and in suppressing crimes, as affecting the safety of the community, which although counteracted by the Minister and his dependents, had already produced much good, Mr. Metcalfe observes, that he had left many objects of reform unattempted, from a desire to confine our interference within the bounds of necessity. Mr. Metcalfe then represents his conception of the present state of our relations with the Nizam's Government, as follows: "We interfere avowedly to protect the people from extortion, and

"to

" to secure the revenue against destruction. The least degree of interference " that can avail for the above purposes is adopted: other reforms are left to " work their own way. Our advice is proffered, but not urged, unless it be " necessary for the important objects above-mentioned. We leave untouched " the form and course of native administration, and we can withdraw at any " time without disturbing its machinery." Political Letter from Bengal, 20 Dec. 1822.

92. Mr. Metcalfe next describes the beneficial effects of our interference, and then enters on a consideration of the means by which an equal benefit could be obtained for the Nizam's Government without such interference, which, on general principles, he acknowledges is not desirable, with respect to the affairs of a foreign state. Many plans had occurred to him, to all of which he states objections. We might either support Chundoo Loll, and endeavour to act on him by general advice, or we might select a better minister; or, finally, we might leave the Nizam unbiassed in his choice of his Minister, and abstain from any intereference beyond general exhortations.

93. The first of these plans, he observes, is the worst, as it has been proved by experience that Chundoo Loll, left to himself, cannot be otherwise than a reckless and unprincipled extortioner, and we should thus make ourselves a party to his oppression.

94. The second scheme he conceives to be of very doubtful issue; nor does he know a fit man to supply Chundoo Loll's place as Minister.

95. The third, *viz*, leaving the Nizam to choose for himself, he considers the best, as being free from the objections to the other two. But he is not sure that the Nizam would dismiss Chundoo Loll, whose ability might keep him in power; in which case, extortion would continue to rage: and, in the event of his dismissal, his successor might be as bad, and from inexperience worse.

96. Mr. Metcalfe also notices the objections to our abandoning the course we have actually adopted; for if our protection were now withdrawn from the people, the effect, he believes, would be desolating. But as no pledge has ever been given, on our part, for its continuance, it rests with the Governor-General in Council to determine how far it is to be pursued in future. Mr. Metcalfe is convinced much good has been done, and much more will ensue, if the system be followed up, and that injury as great, or greater, will result from our withdrawing our interference. In what he had done, he had always conceived he was acting with the approbation of the Governor-General in Council.

97. Mr. Metcalfe then enters into a discussion of the right of interference with the affairs of a foreign state. In Hyderabad, our interference is not of recent date; and if it be right, in behalf of our own interests, to impose a Minister on the country, he contends it cannot be wrong to interpose for the benefit of the people, to save them from that Minister's rapacity. Mr. Metcalfe requests, therefore, to be informed, if the course pursued by him be approved by Government, as he has not of late received any express declaration of approval, while reports of a contrary nature had been in circulation at Hyderabad, producing considerable effect upon Chundoo Loll's mind. The Minister, he remarks, acquiesces in our measures of reform, not because he admires them (as interfering with his acts of extortion), but because he supposes the Resident to have the confidence of his Government, and to be acting under instructions: but Chundoo Loll's conduct would be different, were he taught to believe that the Resident's proceedings were not approved by the Governor-General in Council.

98. Mr. Metcalfe next submits for our consideration, the important question, how far it may be the duty of the Resident to interpose in support of any Minister, or in the selection of any successor. After discussing the general policy of such interposition, he adverts to the particular case of Chundoo Loll. This, he remarks, is to be viewed in two lights. In his internal rule, the conduct of Chundoo Loll is deserving of reprobation; but, as a Minister attached to our interests, he has established strong claims upon us. The policy, however, of exerting our influence in the selection of a Minister, he considers to be better suited to the former than the present state of our

power

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power in India. Our supremacy being now established, our support of a Minister at a foreign court is making the sovereign subject to his servant; and if the servant be vicious, we sanction, by our countenance, all the evils of misrule.

99. Mr. Metcalfe conceives, that the conduct best suited to our present circumstances, is to court the good will of the Prince rather than that of any of his servants, to act cordially with any Minister of his selection, and to look to measures rather than to men. As long as we consider ourselves bound to support Chundoo Loll in his present power, we are equally bound to prevent injury to the Prince and people from his misrule. Until otherwise ordered, therefore, Mr. Metcalfe states his intention to pursue the course he has described in his dispatch, endeavouring to secure the country from oppression, extortion, and robbery, and avoiding all interference not requisite for that purpose.

100. He concludes his dispatch by alluding to a case of embarrassment in the absence of instructions, *viz.* should the Nizam wish to remove Chundoo Loll, has the Resident authority to oppose that inclination?

101. With respect to his last point, Mr. Metcalfe, in a subsequent dispatch of the 3d September, corrected the error he had fallen into, regarding the degree of support to be afforded to the Minister, having discovered the instructions of the 22d January 1820, to which he had not adverted at the time. Those instructions, which your Honourable Court will find recorded on our Secret Consultations of the annexed date,* authorized the Resident to secure the faithful and zealous assistance of Rajah Chundoo Loll in carrying into effect the proposed reform, by assuring him of our support and protection, without which he had stated he could not venture to engage in an undertaking, that would render him obnoxious to the most powerful enemies wuo would seek his ruin.

102. In reply to the foregoing dispatches, of the 31st August, and 5th September, including also incidentally the subject of that of the 3d of the latter month, relative to the conduct of Chundoo Loll in transmitting letters clandestinely to the Residency, the Governor-General drafted instructions noted in the margin.†

103. The draft of the instructions, above referred to, having been sent in circulation to the First Member in Council, the perusal of Mr. Metcalfe's letter of the 30th September (already adverted to in paragraph 72), which had arrived in the interval, suggested to Mr. Adam, that its contents might induce his Lordship to alter the view he had taken in those instructions. He therefore returned the draft to the Secretary, with a note, desiring that, previously to its being circulated to the other Members, it might be resubmitted to his Lordship. The Secretary accordingly again submitted the draft to the Governor-General, who directed him to expedite the instructions to Mr. Metcalfe, without further delay, as his Lordship saw nothing in Mr. Metcalfe's despatch, above referred to, which could make him desire to alter any part of them; and that if the Members of Council dissented from the tenour of them, the responsibility of the act rested solely with himself. In compliance with his Lordship's commands, the Secretary despatched the instructions to Mr. Metcalfe, and then circulated the draft, with a note signifying that the instructions had been expedited by his Lordship's command.

104. The Members of Council subsequently expressed their dissent from the instructions in question, in minutes dated the 1st,‡ the 19th,§ and the 25th‖ ultimo. The shortness of the time not admitting of our adverting in detail to those minutes, or that of his Lordship, dated the 19th instant,¶ we respectfully solicit a reference to the documents themselves, which form numbers in the packet. The question they embrace is one of great moment; and your Honourable Court's decision will determine what line of policy is, in future, to be pursued towards the state of Hyderabad.

105. Being anxious to put your Honourable Court in possession of the fullest information respecting the affairs of that Government, and our procedure

* 22d January 1820, see page 98.

† Letter to the Resident at Hyderabad, dated 25th October 1822. See Enclosure No. 4.

‡ Enclosure No. 21. § Ditto No. 22. ‖ Ditto No. 23. ¶ Enclosure No. 24.

cedure in regard to it, up to the latest date, we have transmitted, as numbers in the packet, all the correspondence on the subject, subsequent to the date up to which our proceedings in this department have been transmitted to your Honourable Court, namely, the 18th of October.

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106. The result of our late instructions on the several points remaining to be adjusted, will be reported at a future opportunity. Your Honourable Court may be assured, that your injunctions, as conveyed in your letter of the 28th November 1821, will be most scrupulously adhered to.

We have, &c.

Fort-William,
20th December 1822.

(Signed) HASTINGS,
J. ADAM,
JOHN FENDALL,
W. B. BAYLEY.

P.S. We have the honour to annex to this despatch copies of two letters from the Resident at Hyderabad, dated the 7th* and 26th† ultimo, submitting some further explanations regarding Messrs. William Palmer and Co.'s accounts and other matters, and a copy of our instructions of the 14th‡ instant, which are not specifically referred to in the preceding narrative.

(Signed) H.
J. A.
J. F.
W. B. B.

NOTE.—The Consultations referred to in the preceding letter are given in the order in which they appear on the Bengal Proceedings, and the Enclosures in that letter follow in the order in which they were transmitted from India.

EXTRACT BENGAL POLITICAL CONSULTATIONS,

The 10th February 1821.

To George Swinton, Esq., Acting Secretary, Secret and Political Department, Fort William.

Bengal Political Consultations, 10 Feb. 1821.

Sir:

I have the honour to transmit copy of a letter addressed to the firm of Messrs. William Palmer and Co., in conformity to the instructions contained in your letter of the 15th ultimo, together with a copy of their reply.

Letter from Resident at Hyderabad.

I have, &c.

Hyderabad,
21st January 1821.

(Signed) C. T. METCALFE, Resident.

Private.——Official.

To Messrs. William Palmer and Co.

Gentlemen:

1. I have been directed by the Governor-General in Council, in pursuance of orders from the Court of Directors, to refuse the sanction of the British Government to any further pecuniary engagements, on your part, with the Nizam individually, or with his Highness's Government.

Letter from Resident at Hyderabad.

2. I have been, at the same time, desired to impart the tenour of this order to you privately, in order that no misconception may be created, which could injuriously affect your credit.

3. I have been also instructed further to intimate to you the inhibition of the Governor-General in Council to your making or meeting henceforth any overture for a pecuniary transaction with the Nizam, or his Government, and to warn you that any attempt, on your part, in contravention of this notice, will be proceeded against as a heavy offence.

* Enclosure No. 25. † Ditto No. 26. ‡ Ditto No. 27.

Bengal Political Consultations, 10 Feb. 1821.

4. In addition, I am commanded to require of you an acknowledgment, in writing, of your receipt of this communication, and of your understanding that it cancels the licence dated the 23d July, as to any future purpose.

Letter from Resident at Hyderabad.

5. The Governor-General in Council understands that the firm of your house consists of the following persons, *viz.*

Mr. William Palmer, a native of India;
Mr. William Hastings Palmer, ditto;
Sir William Rumbold, Bart., English;
Mr. George Lamb,..... ditto;
And a native subject of the Nizam, whose name is not known.

6. Having been ordered to ascertain and report whether the above list be correct, and to add the names of any other persons who may be partners in the house, I beg that you will favour me with the requisite information on these points.

7. Moreover, it is my duty to request of you a statement of your pecuniary transactions with the Nizam's Government, excepting the late loan, and the provision of funds at Aurungabad for the payment of troops, these latter having been already reported to Government.

I have, &c.

Hyderabad,
1st January 1821.

(Signed) C. T. METCALFE,
Acting Resident.

Letter from Messrs. Palmer and Co.

To C. T. Metcalfe, Esq., Resident, Hyderabad.

Sir:

We have the honour to acknowledge your letter of the 1st January, prohibiting us from any further pecuniary engagements with the Nizam individually, or with his Highness's Government; and communicating to us that the license, dated the 23d July, which has been granted to us, was cancelled as to any future purpose.

Aware how injurious public discussions of our affairs must be to us, we feel grateful for the consideration which has induced the Governor-General in Council to suggest the second paragraph of your letter.

We beg to state to you, for the information of the Governor-General in Council, that we have not entered into any considerable transactions with the Nizam's Government, without having first submitted them to the Supreme Government for its approval; and we consider ourselves fortunate, that in the sanction which has been given to these, Government have been pleased to admit the benefits which have resulted from them to the interests of his Highness the Nizam's country. We also beg to submit to you, that the arrangements for the payment of the troops in Berar acquiesced in the views of the Political Agent and the Resident, and that we entered at a time inconvenient to us into these engagements, which we were taught to believe were essential to the existence of the troops, from our desire to be useful, and to strengthen our claims to the future protection of our Government. This view of the question, we beg to add, was adopted and repeatedly urged to us by the Resident at this court. Under these circumstances, we think it peculiarly hard, that though, while we were possessed of a general license from Government, we still continued to prove, by submitting those transactions, which we thought important, to Government, how little disposed we were to abuse it, it should nevertheless have been connected with an appearance of distrust towards us, (*Sic orig.*) and at the hazard of bringing disrepute and discredit on us. We cannot but consider the terms used in the third paragraph of your letter as peculiarly hard, and we beg humbly to submit to Government whether they will not admit of some modification.

However we may endeavour to meet the spirit of these orders, we cannot but fear (in a country where every thing is arbitrary and emanates immediately from Government) the utter impossibility of carrying on transactions, whether banking or commercial, without subjecting ourselves to what may be considered an infringement of the strict letter of your orders. Had the Government

Government simply desired us to refrain from future loans to his Highness's Government, we humbly conceive that it would have secured every purpose they can have in view, without occasioning embarrassment to our establishment.

The firm of our house consists of

Mr. William Palmer, a native of India;
Mr. Hastings Palmer, a native of India;
Sir William Rumbold, Bart., English;
Mr. George Lamb, English; and
Bunketty Doss, a native subject of the Nizam.

We have no other partners.

We have no transactions with the Nizam, or his Government, but those in favour of which the exception has been made, and such as have arisen out of the advances to the troops at Aurungabad. The deficits in the payment of the tunkhas appropriated for the discharge of the advances made to those troops, left a balance at the end of the last fuslee year 1229, somewhat exceeding thirteen lacs of rupees. The Minister was engaged by his agreement to have paid us this sum in cash, which at that period would have been of great convenience to us to have received, as we were compelled to pay a high rate of interest for money to complete the loans we have recently made: but co-operating with the views of Government for the improvement of the country, which has always been an object with us, and knowing that the payment of our balance would interfere with the reduction and remission of rent which the Minister is making, we neither urged the performance of his engagement, nor required orders on the revenues of the country for the present fuslee year. The Minister is, however, under engagement to give us orders on the revenues of the ensuing year.

We have no other transactions directly with the Nizam or his Government; but we beg to mention those in which the Government may be considered a party.

First. We have lent a sum of eight lacs of rupees to Shah yar-ood Dowlah, to enable him to carry into effect the same system of reform in his jagheers which has been recommended to the Minister. The dilapidated state of his country, his troops having fallen into arrears, and his necessities destroying the means of improvement, induced us to make this loan. The Minister is guarantee: but we have no doubt, from Shah Yar-ood Dowlah's respectability, and the improvable condition of the country, that this debt will be punctually discharged by him within the stipulated period of four years.

Second. A loan of two lacs of rupees has been made to Rao Naneck Ram, by desire of the Minister, for the improvement of those districts on which we hold our tunkhas of sixteen lacs of rupees per annum, for the repayment of the loan recently made by us to this Government.

Third. A loan of a lac and a half of rupees made to Munsoor Khan, by desire of the Minister, for the improvement of his talookas, under a promise that he, the Minister, will hold himself responsible to pay the amount, if Munsoor Khan be dispossessed of his talookas before the debt is discharged.

Fourth. A bill on Doola Khan for a lac of rupees discounted to the Minister.

Fifth. An engagement to pay to the Minister's order, during this year, a sum not exceeding fourteen thousand rupees per month, for which we hold tunkhas on Doola Khan. We are not aware of the precise purpose of this payment; but we understand it to be a disbursement on account of some of the Nizam's household, about which the Minister is anxious to be punctual.

Sixth. A loan of sixty thousand rupees to Noor-ool Omrah, made under similar circumstances with that to Shah Yar-ood Dowlah.

Seventh. Pensions of about two thousand rupees per month to the families of the Nizam's officers, who were in the service previous to the reform of the troops.

We have, &c.

(Signed) W. PALMER and Co.

Hyderabad,
15th January 1821.

Ordered,

Bengal Political Consultations, 10 Feb 1821.

Letter from Secretary to Government.

Ordered, That the following answer be dispatched to the Resident at Hyderabad.

To. C. T. Metcalfe, Esq. Resident at Hyderabad.

Sir:

1. I am directed to acknowledge the receipt of your letter, dated the 21st ultimo; copy of one which you addressed to Messrs. William Palmer and Co., in consequence of instructions from this Government, with a copy of the reply from that firm.

2. It was necessary towards the fulfilment of the above instructions, that your language should be strong and precise: but Messrs. William Palmer and Co. have erred, in construing the tenour of the third paragraph in your letter to be rigorous, if not oppressive. The pleasure of the Court of Directors has been signified, that no more loans should be made by the firm to the Nizam or his Minister; and it was incumbent on his Lordship in Council to communicate the interdict in such terms, as should not leave room for any possible misapprehension. At the same time, nothing can be more remote from the intentions of this Government, than to impose any shackle on the commercial dealings of the house. The prohibition could never be meant by the Honourable Court, or by the Governor-General in Council, to apply to transactions purely commercial, even though they should be with the Government of the Nizam. It is only requisite, in the latter case, that reference should be made to your judgment, lest the engagement should operate as an imposed invasion. The restrictions ought not to be considered by the house as conveying the shadow of imputation on their integrity. Perfectly sensible of the advantage reaped by the Nizam and his subjects from the aid furnished by Messrs. William Palmer and Co., the Governor-General in Council cannot but be disposed to ascribe thorough fairness to their dealing, so that an oblique impeachment of their conduct would be altogether inconsistent.

3. The advances specified in the seven items enumerated by Messrs. William Palmer and Co., appear to the Governor-General in Council consonant to the principles which had the general assent of this Government. The faith plighted by the Minister, that he would not, without answering to Messrs. William Palmer and Co. for the sum, dispossess the revenue of that tenure, on the strength of which alone the house furnished money to restore the cultivation of the district, is a simple and actual pledge, liable to no suspicion of incorrectness. A reliance on the honour of the Minister, which is all the amount of reference to him, is not meant to be invalidated in those instances, the engagements having in them been made before any supposition could be entertained of an objection, on the part of the Honourable Court to the transactions of the house generally with the Nizam's Government. Such an objection having been signified. it must be construed to extend (though possibly with some strain of interpretation) even to such an assurance from the Minister as is above alluded to; consequently you are not to sanction, in future, any transaction involving his intervention, however restrictively.

4. The Governor-General in Council requests that you will inform yourself, as minutely as may be, respecting the effects of the late loan from the house of William Palmer and Co. to the Nizam's Government, and that you will report in what degree the satisfaction of the Sovereign, the convenience of the Government, and the comfort of the people, have been promoted by it. To this exposition you will please to add your view, how far the interests of the Honourable Company may have been affected, advantageously or otherwise, by these results.

I have, &c.

Fort-William,
10th February 1821.

(Signed) G. SWINTON,
Secretary to Government.

Mr. Adams concurs in the foregoing letter, reserving the opinions expressed in his minutes of the 5th, 12th, and 14th of July 1820, regarding the superior advantages of the plan there recommended, for supplying the Nizam's Government with funds.

EXTRACT

EXTRACT BENGAL POLITICAL CONSULTATIONS,
The 24th February 1821.

Bengal Political Consultations, 24 Feb. 1821.

Letter from the Resident at Hyderabad.

To G. Swinton, Esq., Acting Secretary, Secret and Political Department.

Sir:

1. No events of particular importance have occurred, since I took charge of this Residency, to require a special report to Government, and it would be premature, on my part, to express any decided opinions on the general state of the Nizam's affairs. Yet it may be expected, that by this time I should have some information to offer for the notice of his Excellency the Governor-General in Council; I therefore proceed to submit such remarks as at present occur to me, trusting that I should be permitted to correct them hereafter, as farther experience may make me better acquainted with the subject.

2. The Nizam is entitled by his station to the first notice. It is known to his Lordship, that his Highness takes little or no share in public affairs, and leads a very retired life, seldom even appearing in public. His conduct has sometimes been attributed to natural disposition, and sometimes to dissatisfaction at the powers exercised by his Minister under our protection. My attention, ever since my arrival, has been directed towards the latter point; but I cannot say that I have yet seen any symptom of dissatisfaction. I should rather remark, if I had come here without any previous knowledge of our relations at this court, and could venture to form a judgment on my own superficial observation, that the Nizam is not dissatisfied at the existing order of things; that he leads a retired life from natural disposition, does not desire any change in his Ministry, and is content with the existing managment of his affairs. At least his dissatisfaction, if it exists, is not obtrusive.

3. There has never been much intercourse between the Palace and the Residency at this court. A visit to the Nizam is a matter of ceremony, and previous permission must be solicited and formally granted by written communications. I have only seen his Highness twice.

4. The first occassion, which was on my introduction on Mr. Russell's departure was of course one of ceremony. His Highness's manners were mild, and the first impression made on me by his demeanour, contrasted with what I had expected, was favourable.

5. My object on the second occasion was to engage him in private and confidential communication, and if possible to lay the foundation for future cordial and unreserved intercourse. For this purpose I went alone, and soon after my reception requested that I might have a private communication. All other persons, in consequence, were ordered to withdraw to a distance; and in a long conversation which ensued, I endeavoured to inspire him with confidence as to the views of Government and my own disposition, and said every thing that I thought could be conducive to that end. He received my communications in the most gratifying manner and conversed freely, with the utmost cheerfulness and good-humour. It was remarked to me afterwards, whether truly, or from a desire to please, I cannot pretend to determine, that he had never been known to converse with so much ease and apparent cordiality on such an occasion. Be this as it may, I quitted him highly gratified with the result of the interview, and forming the best hopes as to the footing of our future intercourse.

6. I should be able to speak of him with unqualified satisfaction, if he had not at the very moment above described, unobserved by me, practised an evasion, in a matter of etiquette, indicative of an intention to put his future intercourse with the Resident on a footing, in one respect, 'more derogatory to the British Government,' than that on which it has hitherto been conducted. I shall not trouble you with the particulars of this attempt now, but reserve them for a separate communication. It was necessary to notice it, and to obtain an assurance that it should not be repeated, and I hope that it may not be productive of any future bad effect.

Bengal Political Consultations, 24 Feb. 1821.

Letter from the Resident at Hyderabad.

7. Nawaub Mooneer-ool Moolk, the nominal Chief Minister, has always been supposed to be engaged in intrigues for the ejection of Rajah Chundoo Loll and the establishment of his own power in the state; and it is natural that this should be the case, for he possesses no controul whatever in the management of affairs. There can be no doubt that such has been his course heretofore, for it has repeatedly been observed by my predecessors; and, in consequence, I fully expected that, immediately after my arrival, I should have to combat his intrigues: but it is my duty to speak of him as I find him, and I have not been made sensible, in the slightest degree, of any intrigues, or counteraction, or interference on his part, since I came here. He is extremely courteous in his manners, fond of display, has an immense income, and if I could trust to my own observations, I should suppose him to be sensible of the advantages he possesses, and unwilling to put them to risk, by engaging in intrigues hostile to the efficient minister; but from his reputed character, from general belief, and the experience of my predecessors, I am prepared for a renewal of his former proceedings. It seems that familiar or frequent intercourse has never existed between the court and the Residency; I am not, therefore, likely to meet Mooneer-ool Moolk on any but very particular occasions. I have only seen him three times since I came to Hyderabad.

8. By far the most important pesonage, at peresent at this court, is Rajah Chundoo Loll, the nominal deputy of Mooneer-ool Moolk, but the real and efficient sole Minister of the state: important not only with reference to his situation, but because on his character and conduct must, in great measure, depend the success or failure of the views entertained by his Excellency the Governor-General in Council, for the reform and improvement of the affairs of this country. Chundoo Loll's character must be viewed in two ways; one as regarding the British interests exclusively, and the other with relation to the government of the Nizam's territories.

9. With regard to our interests, no Minister could be more attentive than he seems to be. I believe that during his administration, all the resources of his master's dominions would be at our command, and our influence would stand at the highest pitch.

10. The implicit and devoted attention which he is disposed to pay to our wishes, would seem to afford an assurance of his being a fit instrument for the execution of his Lordship's views with regard to the improvement of the country, were there not counteracting qualities in his character, as a ruler, which may perhaps tend to obstruct the good work.

11. He is said to be improvident, wasteful, and extravagant, in his expenditure of the public resources, and consequently rapacious.

12. In his revenue arrangements, he begins at the wrong end; for, instead of ascertaining what each district will afford, and making suitable assessments, he considers only his own wants, and demands accordingly from the contractor or agent whom he may employ, who, in his turn, levies his rents in the same unreasonable manner.

13. In this way the country is said to have gone to ruin under Chundoo Loll's administration; and one of the worst and most noxious features of his rule is, the total want of faith which prevails with regard to revenue engagements on his own part, I am told, as well as on that of his agents.

14. In order to induce the villagers to cultivate, the managers of districts grant engagements on fair terms; but these are given with the fixed intention of violating them, and when the effect designed is produced, and the cultivation is on the ground, the engagment is no longer thought of, and whatever can be obtained by force or fraud is levied.

15. When such is the general system with regard to revenue, it is not to be expected that justice or police can be in a flourishing state. There does not appear to be a shadow of either; and that the country is not in a much worse state than it is, proves wonderfully how long a country may go on without both.

16. The

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Letter from the Resident at Hyderabad.

16. The picture herein drawn of Chundoo Loll's administration and its effects if it can be relied on, would make it appear, that he is a very unfit man to be entrusted with the Government. But I look round for a better in vain: there is not an individual here from whom I should expect more, or even so much. He is an able and indefatigable man of business; and with all his faults, I have better hopes of effecting the improvement of the country through Chundoo Loll, than through any other person. On his submission and ready attention I rely, more than I could on the united character of any man who would take office for his own aggrandizement, without experience, without ability, with more avarice, and less good-will than Chundoo Loll. I say with more avarice, because Chundoo Loll is not considered avaricious: with all his means and opportunities, he is suppossed not to have amassed any wealth.

17. It is impossible to listen to the Minister and believe that he is the improvident character above described. He talks very rationally on all subjects, describes plausibly, feelingly, and with apparent truth the difficulties he has had to encounter, and the financial embarrassments with which he has struggled. He traces the ruin of the country to the ruinous acts of his predecessors, and promises strictly to attend to the Resident's recommendations for reform. Whatever one may hear elsewhere, one rises from a personal conference with Chundoo Loll, strongly impressed with a belief that he is the man of this court most able and most willing to promote the good of the country.

18. One of the most essential measures of reform is, the limitation of the expenses of the Government within the amount of its income.

19. Whether the income permanently exceeds the expenditure, or the expenditure the income, seems to be unknown, and the Minister appears always to have concealed from the Resident the true state of the finances.

20. I consider it to be one of my first duties to ascertain the reality of the case in this particular, and I applied to the Minister for divers accounts. The accounts were not at the time forthcoming, and either they did not exist, or it was pretended that they did not. He promises to prepare them, and I expect to see them soon. If I find that the expenditure exceeds the income, I shall think it necessary to urge its reduction within the required limits, and shall not be satisfied till that point be accomplished. If I discover that the income already covers the expenditure, I shall be agreeably surprized, and my task will be the easier.

21. Since writing the above I have received the accounts: they are in detail, and I have not yet had time to examine them thoroughly. They do not seem to be very clearly or satisfactorily made out: but I collect from them, that the annual expenditure exceeds the income by about ten lacs, after allowing for the advantages gained by the Nizam in consequence of the late war, to the extent of seventeen lacs per annum, as well as all reductions effected, and without making allowance, I fear, per contra, for what he will have to cede to the British Government.

22. Every branch of the administration will in time require investigation; but those points to which I propose immediately to turn my attention are:

First, The reduction of the expenditure of the Government within its income; and,

Secondly, A general settlement of the land revenue for a term of years, in the mode of village settlement, including arrangements with the heads of villages for the introduction of a system of police.

23. The reduction of the expenditure will effect numbers of idle and worthless persons, who at present devour the resources of the state, and will consequently be an unpopular and difficult measure to carry into effect.

24. A settlement of the land revenue, such as I propose, will be a dire blow to the host of contractors, who plunder the cultivators and destroy the resources of the Government, and will in consequence also be vigorously opposed.

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25. I can hardly reckon on the zealous support of the Minister in either scheme, but I do not despair of his acquiescence; and if he will only acquiesce, I am ready to take on myself the labour and odium of the task.

26. The great evil in regard to revenue, as before remarked, seems to be, that no faith is kept with the cultivators, and that the managers of districts extort all that they can from year to year, without regard to rights or engagements.

27. To insist on good faith being kept by Government and its agents with the cultivators, with regard to all engagements; to take care that the Government and its agents do not exact more than the acknowledged rights of the Government; these are objects, the successful accomplishment of which would go far towards the restoration of prosperity, and for which I shall never hesitate to exercise direct interference in every part of the country, for without it they would never be accomplished. I have no doubt that, if the oppressions and unjust extortions practised on the cultivators in the name of the Government can be suppressed, that alone will suffice to recall the numerous population, which has abandoned its patrimonial soil and fled to other countries.

28. The reduction of the interest of public debt from its present high rate, would at once produce a great amelioration in the financial affairs of the Government, and go far to equalize the income and expenditure, if the accounts received from the Minister can be relied on; but ther is no prospect of accomplishing that object here.

29. The most effectual, and perhaps the only sure mode of introducing a reform into the country, would be by the appointment of European managers in the several districts: but this I consider to be prohibited by my instructions and not desirable, if it can be avoided, inasmuch as it would be tantamount to taking the Government out of the hands of the Nizam and his Ministers. I do not think, therefore, of submitting any recommendation to that effect, unless I should find, after a fair trial, that my own efforts, with such aid as I can procure from the servants of the Nizam's Government, prove unavailing.

30. The occasional interference, however, of the European officers of the Nizam's service, for the prevention of oppression and breach of faith, on the part of local authorities, in the vicinity of their respective posts, is indispensable; and I shall, without scruple, have recourse to this assistance, whenever it may seem necessary. Indeed, I have already acted on this principal in several instances.

31. It will be gratifying to the Most Noble the Governor-General in Council to learn, that much good has undoubtedly been done in the Nizam's country by the measures authorized by his Lordship, and carried into effect by Mr. Russell: in particular, the advantages of the abolition of the practice of pressing porters from the villages are inestimable. Mr. Russell also, after the receipt of his Lordship's instructions to interpose his advice and influence for the welfare of the country, adopted the habit of receiving the petitions of complaints, and transmitting them to the Minister for redress, and also authorized the agent at Aurungabad and the officers of the Nizam's service to do the same, and forward them to the local authorities, or to the Resident, as the nature of the case might require. This practice, it is supposed, has been beneficial, by giving hopes to the injured, and alarming the unjust. It has been continued and extended since I took charge of the Residency.

I have, &c.

Hyderabad, 2d February, 1821.

(Signed) C. T. METCALFE, Resident.

Ordered, That the following letter be addressed to Mr. Metcalfe.

Letter from Secretary to Government.

To C. T. Metcalfe, Esq., Resident at Hyderabad.

Sir:

1. I am directed to acknowledge the receipt of your dispatch of the 2d instant, submitting your sentiments and observations on the general state of his Highness the Nizam's affairs.

2. The

2. The information communicated in your letter is considered by his Excellency to be extremely interesting. Bengal Political Consultations, 23 Feb. 1821.

I have, &c.

Fort-William, 24th February 1821.

(Signed) G. SWINTON, Acting Secretary to Government.

EXTRACT BENGAL POLITICAL CONSULTATIONS,

The 7th April 1821.

To G. Swinton, Esq., Secretary to Government in the Secret and Political Department. Bengal Political Consultations, 7 April 1821.

Sir:

Letter from the Resident at Hyderabad.

1. I informed you, in a former communication, that it was my intention to propose to the Nizam's Government the formation of a general settlement of he land revenue, for a term of years, throughout his Highness's dominions.

2. I am now happy to have it in my power to report, that the proposal has been acceded to, and is in progress towards execution.

3. In the southern division, the settlement is to be effected by the Minister, in concert with the Resident. In the northern parts, the duty will be entrusted to British officers selected for the purpose. In the northernmost portion of Berar it is confided to Captain Seyer, who commands the Ellichpoor brigade; in the southern districts of the province, to Lieutenant Sutherland, another distinguished officer of the Nizam's service. In the westernmost parts of Berar I intended to employ my second assistant, Lieutenant Barnett, on this service; but a severe illness will probably prevent his proceeding, in which case I have another arrangement in contemplation.

4. It was my wish that the settlement should be effected in all parts of the Nizam's dominions by British officers, from a conviction that the requisite zeal and integrity could not be found in native agents; but I could not decently object to the Minister's proposal, that he should superintend a great part of the work in concert with me. Indeed, if he felt a cordial interest in the undertaking, his ability and local knowledge would be of eminent usefulness: as it is, I fear that this part of the work will be the worst executed of the whole. I nevertheless hope, that my presence will be conducive to the preservation of the principles on which the measure is founded, and that it will be attended with considerable success, though less complete than in those parts where other European officers will preside over the details with undivided authority.

5. The plan of settlement adopted at my suggestion is that which is commonly called a village settlement, *i. e.* a settlement with each village community separately, subject to such alterations and modifications as local circumstances may perhaps render necessary in several places.

6. The Nizam's Government has entered into the scheme with the greatest readiness and seeming conviction of its expediency. There is a facility of assent, on the part of the Minister, to whatever is proposed, and a practical counteraction of whatever is right, arising out of the inveteracy of bad habits, which both together form a singular character. For the sake of the former quality, I believe him to be the best Minister that we could have at this court; and even as to the latter, I do not see any one who would be better.

7. The projected settlement of the land revenue I regard as the most important step that could be taken, towards the establishment of the prosperity of the country and the happiness of its inhabitants. I do not know any other measure that could have been relied on for the prevention of oppression and extortion.

8. As long as the demands of the Government on the cultivators remained unsettled, there could have been no security for the enjoyment of any rights: they might toil and sow, but could not be sure of reaping. The consequences must have continued to be, as they long had been, the decrease of the agricultural population by emigration, the diminution of cultivation, the falling off of

Bengal Political Consultations, 7 April 1821.

Letter from the Resident at Hyderabad.

the income of the state, and eventually, utter ruin and devastation, from perverse attempts to force the former revenue from reduced resources.

9. The demand of the Government being fixed and known, extortion may be prevented, and improvement will follow naturally, one might say almost unavoidably.

10. As a sample of what is likely to be effected by giving confidence to the cultivators, I have received a report from Lieutenant Clarke, another valuable officer of the Nizam's service, of the recent repeopling of ninety villages in one district by returned emigrants, in consequence of general assurances of protection which he was authorized by me to convey to them.

11. That officer is employed in re-instating the population of some very fertile districts on the Wurda, which the oppressions of the Nizam's Government had converted into a deserted waste.

12. It is a delightful part of my present situation, that I find in the Nizam's service an ample supply of British officers, able and willing to render the greatest assistance in establishing the prosperity of the country. Captain Seyer, Lieutenant Clarke, and Lieutenant Sutherland, are of this description; and the services which they perform beyond the limits of their military duty, are undertaken with the greatest zeal and public spirit, without any incitement from additional emolument. As yet, therefore, whatever may hereafter be judged proper, these services are performed without any consequent charge to the Nizam's Government.

I have, &c.

Hyderabad,
20th March 1821.

(Signed) C. T. METCALFE,
Resident.

Ordered, That the following letter be addressed to Mr. Metcalfe.

Letter from Secretary to Government.

To C. T. Metcalfe, Esq., Resident at Hyderabad.

Sir:

1. I am directed to acknowledge the receipt of your despatch of the 20th ultimo, reporting the assent of his Highness the Nizam to the proposal for the formation of a settlement of the land revenue, for a certain term of years throughout his dominions, and the measures now in progress for carrying it into effect.

2. The plan of settlement, as detailed in your letter, is considered to be extremely judicious; and it is highly satisfactory to his Lordship in Council to observe, with what readiness the Government of his Highness has entered into a measure, from which such important benefit to the country may be confidently expected.

3. His Excellency in Council has derived peculiar gratification from your report of what has already been effected by Lieutenant Clarke, and of the able and willing assistance on which you reckon for the successful accomplishment of the salutary object in view.

I have, &c.

Fort William,
7th April 1821.

(Signed) G. SWINTON,
Secretary to the Government.

EXTRACT BENGAL POLITICAL CONSULTATIONS,

The 5th May, 1821.

Bengal Political Consultations, 5 May 1821.

Letter from the Resident at Hyderabad.

To G. Swinton, Esq., Secretary to Government in the Secret and Political Department.

Sir:

1. Being anxious to acquire, as soon as possible, some knowledge of the state of the Nizam's territories from personal observation, and to be in the way of a nearer superintendance of the settlement of land revenue now in progress in

in Berar, I have this day quitted Hyderabad, and commenced my march towards the province above mentioned.

Bengal Political Consultations, 5 May 1821.

Letter from the Resident at Hyderabad.

2. I have made an arrangement for the discharge of the local duties at Hyderabad, by dividing them between my first and second Assistants, both of whom will remain there.

3. The illness of Lieutenant Barnett having prevented, as before reported, his proceeding to undertake the settlement of Aurungabad, I have deputed Mr. R. Wells on that duty, and have no doubt that he will perform it with great zeal and ability.

I have, &c.

Camp, Puttunchurroo, 16th April 1821. (Signed) C. T. METCALFE, Resident.

P. S. I expect to return to Hyderabad in June.

To G. Swinton, Esq., Secretary to Government in the Secret and Political Department.

Letter from the Resident at Hyderabad

Sir:

Mr. R. Wells having been deputed to a distance from the Residency, and being thence necessarily subject to an increased expense, I beg leave to submit for consideration, that it would seem to be just to grant him either the usual deputation-allowance from the Honourable Company, or as he is proceeding on business of the Nizam's Government, an allowance from the latter.

I have, &c.

Camp, Puttunchurroo, 16th April 1821. (Signed) C. T. METCALFE, Resident.

Ordered, that the following letter be addressed to Mr. Metcalfe.

To C. T. Metcalfe, Esq., Resident at Hyderabad.

Letter from Secretary to Government.

Sir:

1. I am directed to acknowledge the receipt of your two letters of the 16th ultimo, reporting that you had proceeded on a tour of observation through Berar, and suggesting that Mr. Wells, whom you had deputed to Aurungabad, should be allowed the usual deputation-allowance while employed in that quarter for the Honourable Company, or should receive an allowance from the Government of the Nizam.

2. His Excellency in Council entirely approves of your tour towards Berar, for the purposes stated in your despatch, and of the arrangement which you have made for the conduct of the local duties at Hyderabad in your absence.

3. His Lordship in Council approves the deputation of Mr. Wells, and sanctions his receiving the usual allowance on that account, which his Excellency in Council conceives should be defrayed by the Government of his Highness, on whose service he is deputed.

I have, &c.

Fort William, 5th May 1821. (Signed) GEO. SWINTON, Secretary to Government.

EXTRACT BENGAL POLITICAL CONSULTATIONS,

The 8th December 1821.

To G. Swinton, Esq., Secretary to Government in the Secret and Political Department.

Bengal Political Consultations, 8 Dec. 1821.

Letter from the Resident at Hyderabad.

Sir:

1. I am now on my return to Hyderabad, after witnessing, nearly to completion, the progressive advancement of the primary objects which called me to the northern parts of the Nizam's dominions.

2. The

Bengal Political Consultations, 8 Dec. 1821.

Letter from the Resident at Hyderabad.

2. The settlement and limitation of the land revenue, for terms of years, have been effected in most of the districts to the north of the Godavery, and throughout a considerable portion of the western frontier southward of that river.

3. The gentlemen employed in this undertaking in different divisions of territory (namely, my assistant, Mr. R. Wells, and Major Seyer and Captain J. Sutherland of the Nizam's service), have severally performed the duties assigned to them, with the greatest zeal, ability, and judgment.

4. The valuable qualities of Major Seyer and Captain J. Sutherland, are already known to the Governor-General in Council.

5. Much as I had anticipated from Mr. Wells, in consequence of the distinction acquired by him in the colleges of Hertford and Fort William, as well as from my knowledge of his talents and acquirements, his performance has surpassed my expectations, and makes it my duty to mention him in the highest terms. I have had continual opportunities of observing and admiring his knowledge and ready apprehension, prudence, firmness, consideration, and conciliating deportment, united with the most honourable zeal for the interests of the Nizam's Government and the welfare of the people, and the highest tone of public principle in all his proceedings. The recency of his arrival in India considered, his efficiency for every duty is surprizing, and affords the strongest promise of future eminence in the public service. I am sorry to have to add, that his health has suffered, in consequence probably of his excessive application to business, and exposure in camp to extreme heat during the most virulent season.

6. The measure carried into effect by these gentlemen throughout a considerable extent of the Nizam's dominions, holds out the hope of very favourable results. It has been received by the cultivators with manifest satisfaction, clouded only by a dread that the systematic bad faith of the Nizam's Government may render nugatory the benefits of the arrangement.

7. The Minister has been fixing the revenue of the southern and easternmost portions of the country, avowedly on the same principles with those of the settlements concluded on the southern and western parts; but the accounts which I have received from him are not sufficiently explicit, to enable me at present to speak of his arrangements with any confidence.

8. The Minister (*i.e.* Rajah Chundoo Loll) seems to conform readily to my recommendations; but measures which originate with him are dictated by a very opposite spirit to that which regulates our advice, and much underhand counteraction arises out of the rapacity of his disposition, and that of the native officers under him. I am not only convinced that less than the interposition authorized by his Excellency the Governor-General in Council would have been ineffectual, but I am also apprehensive, that for some time increasing vigilance will be required, to prevent the violation of the engagements to which the Nizam's Government is pledged, and to eradicate the extortion and oppression to which its native officers, from the highest to the lowest, are deeply, senselessly, and insatiably addicted.

9. Hence, with predominating hopes of success, I am not without fear of failure, in the great objects of restoring prosperity and establishing equity in the Nizam's territories.

10. The country through which I have passed in my tour since the middle of April, has every where exhibited the most striking features of decay and depopulation, and fully evinced the necessity of the exercise of the influence of our Government for the prevention of utter ruin. My progress having led me up the centre of the Nizam's territories, from Hyderabad northward by Nandair, Kingslee, Bausim, Karinga, and Omrautee to Ellichpoor, thence south-westerly by Akola, Lakhunwarree, and Jafferabad to Aurungabad, and from the latter place southerly and south-easterly, skirting the western frontier, by Moongee Puttun, Bheer Kullum, Owsa, Bhalkee and Beder, I am enabled to speak, from ocular observation, of the appearance of great part of the country. I have still to see the southern and eastern districts.

11. The

11. Captain Clarke continues, with unabated zeal and considerable success, to promote the resuscitation of the districts on the Wurdá, which 'ere long, I hope to have an opportunity of visiting. Bengal Political Consultations, 8 Dec. 1821.

12. The local business of Hyderabad has been managed, during my absence, by the first and second Assistants, Mr. Sotheby and Lieutenant H. L. Barnett. Letter from the Resident at Hyderabad.

13. My intercourse with the Court has been conducted through Mr. Sotheby, with great ability on his part, and entirely to my satisfaction: in addition to which, he has had charge of the Persian office, and the correspondence with the military authorities at Secunderabad on local matters. He has lately, I am sorry to say, been incapacitated by severe illness from attendance to his official duties. It is due to Mr. Sotheby to add, that I have received zealous and efficient assistance from him whenever I have had occasion to employ his services, which I havefrequently done, in communication with the Court, as well before as since my departure from Hyderabad.

14. The Treasury, English Office, Post-Office, and Office of Accounts, have been under Lieutenant Barnett. The duties of these departments have, indeed, been performed by this gentleman with great zeal, ability, and judgment, during thewhole time, from his joining the Residency. The department of the Treasury is of very great importance, for since I received charge of the Residency we have been supplied with specie entirely by negociation, and have not obtained any either by direct dispatch from our own provinces, or from any other quarter, while our disbursements, including those on account of the subsidiary force and the peshcush, are very large. Much judgment, prudence, care, and acuteness, are required to keep the Treasury continually supplied, and at the same time prevent the deterioration of the value of our bills, by combinations among those whose interest it isto obtain them at the lowest rate of exchange, and to whom our wants are generally known. I am greatly indebted to Lieutenant Barnett for the able manner in which he has performed this duty, and the zeal for the public interests which has always been manifest in his conduct. In consequence of the illness of Mr. Sotheby, all the local duties of Hyderabad have latterly devolved on Lieutenant Barnett.

15. I cannot close this dispatch without stating, that on the military affairs of the Nizam's Government I have received very cordial and able assistance from Captain Thomas Mackenzie.

16. I expect to reach the Residency on the 13th instant.

I have, &c.

(Signed) C. T. METCALFE,
Resident.

Camp, Berar,
7th November 1821.

EXTRACT BENGAL POLITICAL CONSULTATIONS,

The 10th May 1822.

John Palmer, Esq. of the house of Palmer and Co. Calcutta, having, on the motion of the Governor-General, been summoned to attend Council, and being accordingly in attendance, the Governor-General put several questions to him, which, with Mr. Palmer's answers, are here ordered to be recorded. Bengal Political Consultations, 10 May 1822.

No. 1.—*Questions proposed by the Governor-General to Mr. Palmer and his Answers.*

Questions proposed by the Governor-General.	Answers by Mr. Palmer.
Did you apprize me that a person of consequence had, in substance, expressed to you his persuasion of Mr. Russell's being connected with the house of William Palmer and Co., in their transactions with the Nizam's Government?	Yes, I did.

Bengal Political Consultations, 10 May 1822.

Questions.	*Answers.*
Did I, upon that intimation, say that such a supposition must not sleep uninvestigated, and that I should require Sir William Rumbold to attend the Council on the morrow, to answer that point?	Your Lordship did say so.
Have you reason to believe that the house of William Palmer and Co. have actually been paying to more than one Hyderabad Shroff an interest for his contribution to the loan, greater than that fixed as receivable by William Palmer and Co., for the Nizam's Government, such inconvenience being submitted to by William Palmer and Co., rather than that there should be a falling off from the sixty lacs promised to the Minister?	I did understand, at the time, that a part of the funds was raised at an excessive interest, and I know that they are seeking present relief from the operation of that excessive interest.

Note.—This has been entered in the body sheet of the consultation.

His Lordship having then produced an affidavit, bearing the signatures of William Palmer and William Rumbold, and stated to have been sworn before Hans Sotheby, Assistant to the Resident at Hyderabad, in the absence of Mr. Metcalfe, the affidavit was shewn to Mr. Palmer, and he was asked whether he recognized the signatures of the parties, and the hand-writing of the affidavit. Mr. Palmer stated the signatures to be those of William Palmer, Esq. and Sir William Rumbold, Bart., and added, that the body of the affidavit was in the hand-writing of Mr. William Palmer.

Ordered, That the affidavit be here recorded.

Affidavit by William Palmer, Esq. and Sir William Rumbold.

We, the undersigned, William Palmer and William Rumbold, do hereby make oath and declare, that the partners of our house at Hyderabad, called by the name of William Palmer and Co, are as follow. William Palmer, Esq., Sir William Rumbold, Bart., Hastings Palmer, Esq., George Lamb, Esq., and Bunketty Dos, and that no other persons of any description have, directly or indirectly, any partnership with us, or any interest in any concerns, beyond such as the public has in every other house of agency. We further declare, that no public functionary, at the head of any public office or department, ever had any avowed or direct partnership, directly or indirectly, with us, or any interest in our concerns, which could influence him in countenancing our dealings with the Nizam's Government, or give him any means of deriving any personal advantage from them.

We think it proper to add, that several individuals, natives and Europeans, who supported us with their capital at the commencement of our establishment, did, in consequence of such accommodation to us, derive benefits from our house. These were, however, such as we gave them from private friendship, or a sense of private and pecuniary obligations to them; but we repeat, that although we have made this declaration for the purpose of being perfectly explicit, no person or resident at the head of any public office or department of Government, or any one to whom we looked for public support or influence, have had any such benefit; and that no persons, of any description, but the above named partners of our house, have been associated with us in any way, since the time we first entered into treaty for the loan we negotiated for the Nizam's Government.

(Signed) Wm. Palmer,
" Wm. Rumbold.

Sworn before me, this 26th day of June 1821.

(Signed) Hans. Sotheby,
First Assistant to the Resident, (Mr. Metcalfe being absent.)

Mr. Palmer then retired from the Council Chamber.

EXTRACT

EXTRACT BENGAL POLITICAL CONSULTATIONS,

The 7th June 1822.

Bengal Political Consultations, 7 June 1822.

Read a letter from the Honourable the Court of Directors in this Department, under date the 28th November 1821.

Ordered, That the following letter be addressed to the Resident at Hyderabad, and that an extract from the letter from the Court, above alluded to, be transmitted to Mr. Metcalfe.

To C. T. Metcalfe, Esq. Resident at Hyderabad.

Letter from Secretary to Government.

Sir:

1. I am directed to transmit to you, for your information, the enclosed extract from a letter from the Honourable the Court of Directors, of the 28th November last, and to acquaint you, that the arrangement made by the house of Messrs. William Palmer and Co. with Chundoo Loll, for the payment of the regular battalions and reformed horse in Berar, not having received the sanction of the Honourable Court, his Excellency the Governor-General in Council, in conformity with their orders, directs that the arrangement in question shall cease to have operation on the receipt of these instructions, or as soon after as may be practicable.

2. You will be pleased to convey an intimation to this effect to Messrs. William Palmer and Co., apprizing them of the penalties attached to disobedience of the Honourable Court's orders; and you will concert with the Minister the best means of providing for the payment of the troops in future, apprizing him of the positive inhibition of the authorities in England against any British house of agency engaging with the Government of Hyderabad in pecuniary transactions of that nature, without the express sanction of the British Government previously obtained.

3. You will be pleased to report, how far the plan adopted for the regular payment of the troops has answered the expectations formed of it. Whether the revenue of the districts assigned for the reimbursement of Messrs. William Palmer and Co. have been found sufficient for that purpose, and if not, from what source, and under what arrangement, the deficiency has been supplied.

4. I am further directed to desire, that you will state to Rajah Chundoo Loll and to Messrs. William Palmer and Co., that the spirit of the orders of the Honourable Court applies no less to the transactions enumerated in the concluding paragraph of the letter of Messrs. William Palmer and Co., dated the 15th January 1821, to your address, as far as the Minister or the Government of the Nizam are concerned in them, than to the affair which forms the immediate subject of the Honourable Court's commands. You will, therefore, signify to those parties, the necessity of bringing the transactions in question to a speedy arrangement, either by a final close, or by a complete emancipation of the Minister from all guarantee, direct or indirect, of these engagements respectively. All future engagements involving, however remotely, the interest of the Minister, have already been interdicted by my letter of the 10th February 1821.

I have, &c.

Fort William,
7th June 1822.

(Signed) G. Swinton,
Secretary to Government.

EXTRACT BENGAL POLITICAL CONSULTATIONS,

The 19th July 1822.

Bengal Political Consultations, 19 July 1822.

The following papers having been read in circulation, and orders issued to the Resident at Hyderabad on the 17th instant:

Ordered, That they be here recorded.

Letter from J. Palmer, Esq.

To the Most Noble the Marquis of Hastings, K. G. &c. &c. &c.

My Lord:

From communications just made to me by Messrs. William Palmer and Co., of Hyderabad, consequent to the injunction conveyed to them by the Resident to terminate immediately their arrangements with his Highness the Nizam's

Bengal Political Consultations, 19 July 1822.

Letter from J. Palmer, Esq.

Nizam's Minister for paying his Highness's military force at Aurungabad, it would appear that they are led to harbour the most lively apprehension of ruin to their establishment, unless the immediate intervention of your Lordship's protection be afforded them, inasmuch as the implied loss of credit, and of that countenance and encouragement they have from the first prescriptively enjoyed from the Supreme Government, threaten them with a shock they may be altogether unable to resist.

2. I have the honour to submit a copy of the Resident's letter to Messrs. William Palmer and Co., and of the extract of the instructions from your Lordship's Government which accompanied it, and to intimate, that this was the first communication upon so important a subject to Messrs. William Palmer and Co., and to acquaint your Lordship, that, with a view of averting the effects of your Lordship's order on the 27th June, two of the members of their firm waited upon the Resident, to solicit some qualification in the execution of such abrupt and peremptory commands, but, as they inform me, without effect, the imminent and immediate danger they dreaded from the measure making no impression on his mind.

3. I am not sufficiently informed of the nature of Messrs. William Palmer and Co.'s engagements for paying the troops of his Highness the Nizam; but if they received the sanction of the Supreme Government, virtual or implied, I humbly submit to your Lordship, that they cannot be unentitled to protection, until those engagements are faithfully fulfilled; and that, in consideration of their having established a branch of their house at Aurungabad, for the express purpose of giving full effect to those engagements, they are not unentitled to any lenient modification of the Honourable the Court of Directors' orders, which shall shelter them from prejudice, injury, or loss.

4. Under the operation of this peremptory injunction, Messrs. William Palmer and Co. are penetrated with a dread, that all persons having current pecuniary transactions with them will instantly press their demands, in the persuasion that so signal a proceeding is a clear manifestation of their disgrace with the Supreme Government, and that they no longer deserve the protection they have hitherto enjoyed. And were the consequent injury only inflicted on themselves, I should venture to hope that it would be grateful to your Lordship's feelings to avert it; but as it involves the property and interests of all their connections, they feel justified in appealing to your Lordship for whatever succour the case admits of.

5. Messrs. William Palmer and Co. feel the singular severity of not only having their engagements suddenly cancelled, under denounced penalties, to such amongst them as are obnoxious to the statute, but the guarantees on which they rested for security in their dealings with the Nizam's Government are wrested from them, and they are left to realize, or recover their advances to his Highness's troops, how they may. They conceive that, in this particular, some confusion must have crept into the orders of the Honourable Court or of the Supreme Government, inasmuch as it does not seem consistent with justice, that they should at once be removed from their position, and deprived of the securities voluntarily offered them by the Nizam's Government at the instance of our own, and that this apparent proscription shall be applicable to all their other transactions with the Nizam's Minister. Such a construction of the Honourable Court's orders would seem still more inconsistent with those liberal sentiments which have always distinguished its measures, in relation to the interests and concerns of individuals,* deprecate its pernicious influence on their credit and prosperity.

6. If it might be assumed that the Government of Hyderabad was neither arbitrary nor capricious, the credit of Messrs. William Palmer and Co.'s establishment would not require the impression, that it possessed the countenance and protection of the Supreme Government, nor might it suffer any irreparable injury from the implied forfeiture of that honourable distinction: but if its Minister be interdicted all dealings with Messrs. William Palmer and Co., without a stipulation for his faithful adjustment of all existing accounts, they are brought into such disadvantageous relations with him, that they can never

* Some words are obviously omitted here in the original manuscript, the import of which may be easily collected from the context.

never rationally hope for the discharge of any balances which may be due to them.

Bengal Political Consultations, 19 July 1822.

Letter from J. Palmer, Esq.

7. Messrs. William Palmer and Co. allege, that on a former occasion, when the discharge of their loan to the Nizam was only a topic of conversation, they had a run upon their house, which they met with considerable difficulty and extraordinary sacrifices. They therefore view with terror the torrent which may rush in upon them, under this signal instance of apparently lost protection.

I have, &c.

Calcutta, 14th July 1822. (Signed) J. PALMER.

Letter from Resident at Hyderabad.

To Messrs. William Palmer and Co.

Gentlemen:

1. I have the honour to transmit, for your information and guidance, the enclosed extract from orders issued to me by his Excellency the Governor-General in Council.

2. The penalties therein alluded to, I understand to be those of the 37th George III., cap. 142, sect. 28.

I have, &c.

Hyderabad, 24th June 1822. (Signed) C. T. METCALFE, Resident.

(Enclosure.)

EXTRACT from a Dispatch from the Secretary to the Governor-General in Council in the Political Department, dated Fort William, 7th June 1822.

"The arrangement made by the house of Messrs. William Palmer and Co. "with Chundoo Loll, for the payment of the regular battalions and reformed "horse in Berar, not having received the sanction of the Honourable Court of "Directors, his Excellency the Governor-General in Council, in conformity "with their orders, directs that the arrangement in question shall cease to have "operation on the receipt of these instructions, or as soon after as may be "practicable.

"You will be pleased to convey an intimation to this effect to Messrs. "William Palmer and Co., apprizing them of the penalties attached to dis-"obedience of the Honourable Court's orders.

"I am further directed to desire, that you will state to Rajah Chundoo Loll "and to Messrs. William Palmer and Co., that the spirit of the orders of the "Honourable Court applies no less to the transactions enumerated in the "concluding paragragh of the letter of Messrs. William Palmer and Co. dated "15th January 1821, to your address, as far as the Minister or the Government "of the Nizam are concerned in them, than to the affair which forms the "immediate subject of the Honourable Court's commands. You will, there-"fore, signify to these parties the necessity of their bringing the transactions "in question to a speedy arrangement, either by the final close, or by a com-"plete emancipation of the Minister from all guarantee, direct or indirect, of "these engagements respectively. All future engagements involving, however "remotely, the intervention of the Minister, have already been interdicted by "my letter of the 10th February 1821."

GOVERNOR GENERAL'S MINUTE.

Governor General's Minute, 15 July 1822.

The letter from John Palmer, Esq., this day laid before Council, appears to me as demanding immediate attention. The peril in which the house of William Palmer and Co. conceives itself to be placed, is unquestionably contrary to the views of the Court of Directors. The Honourable Court, not only in terms, regards the Minister's repayment of advances by the house for the maintenance of the troops at Aurungabad as an article in the termination of the transaction, but in a subsequent paragraph, with a visible generous solicitude, repeats its caution against injuring the credit of the firm. The dry,

Bengal Political Consultations, 19 July 1822.

Governor-General's Minute, 15 July 1822.

manner in which Mr. Metcalfe executed his instructions for announcing to the Minister and to the house that the transactions of the latter with the Nizam's Government must close, may be ascribed to our not having notified to the Resident the anxiety of the Honourable Court as to affecting the interest of the house beyond the point directly indicated. I cannot satisfy myself how I came to overlook the omission. No time should be lost in remedying, as far as may be, the evil which that omission has caused: I therefore propose, that an explanation of the Honourable Court's just and liberal sentiments may be immediately dispatched to Mr. Metcalfe, with a direction, that he shall impart to the Minister and the house the tenour of those sentiments, guiding himself by them in any future procedure.

Fort William,
15th July 1822.

(Signed) HASTINGS.

MR. ADAM'S MINUTE.

Mr. Adam's Minute, 16 July 1822.

In recording my assent to the proposition of the Governor-General, I beg leave to state shortly the reasons upon which that assent is founded. They are:

First. The obligation on the British Government (admitted by the Honourable the Court of Directors) to render the abrogation of the arrangements entered into, with its sanction, between the house of William Palmer and Co., and the Nizam's Government, as little injurious to the credit and interests of the house as is compatible with the object of breaking the connexion.

Secondly. That the tenour of the proposed instructions does not pledge the British Government to any thing to which it is not already bound by its previous declaration.*

Thirdly. That they distinctly postpone the claim of the house, as creditors, to the paramount exigencies of the state; that is to say, to the payment of the troops and public establishments, on the maintenance of which in an efficient condition, depend the stability of the whole frame of the Government, and the ultimate security of the creditors themselves.

Fourthly. That the British Government is left quite free to interpose its authority to repress any attempt, on the part either of the Minister or the house, to transgress the limitations under which the countenance of Government is extended to the transactions of the latter.

I have, I confess, no apprehension, that the credit of the house has been endangered by the execution of our instructions of the 7th of June; but earnestly deprecating such a result, I cannot object to the despatch of orders which it is thought may avert it, although the crisis must, in all probability, have passed long before they can reach Hyderabad.

I have only to add my concurrence in the proposed instruction to the Resident, to furnish information regarding the transaction between the Minister and the house of William Palmer and Co., mentioned in the twenty-fourth paragraph of his despatch of the 20th ultimo. It was my purpose to have called the attention of the Board to that subject, as seeming to refer to some unsanctioned proceedings, and thence requiring elucidation. The object will be equally well attained by the requisition now proposed to be made.

Fort William,
16th July 1822.

(Signed) J. ADAM.

MR. FENDALL'S MINUTE.

Mr. Fendall's Minute, 16 July 1822.

From Mr. John Palmer's letter to the Governor-General, under date the 14th instant, it appears, that the firm of William Palmer and Co. are under the greatest apprehension from the manner in which the orders of the Honourable Court of Directors, respecting their concerns with his Highness the Nizam's

* See especially the instructions to the Resident at Hyderabad, dated 10th February 1821, recorded on the proceedings of that date.

Nizam's Government and the Minister, have been communicated by the Resident; that not only their credit would be most seriously injured, but that an impression will be made on the minds of their connexions, that they have generally forfeited the countenance and protection of the British Government. Although the orders of the Honourable Court are peremptory for bringing the arrangements existing between the firm and his Highness's Government and the Minister to an immediate termination, yet it is evident, that the Honourable Court were extremely anxious that their orders should be carried into execution in such a manner as not to injure the credit of the firm, nor to impress an idea of their having forfeited the countenance of the British Government in their banking and commercial concerns with individuals residing in his Highness's territories. Under the orders of the Honourable Court, I think the firm have an equitable claim on the honour and good faith of the Minister for the speedy payment of the tunkhas outstanding at the close of the Aurungabad arrangements, and that they are entitled to the interposition of the Resident to effect this, at as early a period as practicable: I therefore have the honour to concur in the proposition of the Governor-General, of forwarding an explanation of the Honourable Court's orders on this subject to the Resident at Hyderabad. I also concur in the propriety of calling upon the Resident at Hyderabad for a full explanation of the debt contracted by Rajah Chundoo Loll with the house of William Palmer and Co., independent either of the Aurungabad arrangement or the loan of sixty lacs.

Bengal Political Consultations, 19 July 1822.

Mr. Fendall's Minute, 16 July 1822.

Fort William,
16th July 1822.

(Signed) JOHN FENDALL.

MR. BAYLEY'S MINUTE.

I concur in the communication proposed to be made to the Resident at Hyderabad.

Mr. Bayley's Minute, 17 July 1822.

The explanation which Mr. Metcalfe is instructed to make to Rajah Chundoo Loll, as stated in the second part of the draft, appears to me to be entirely inconsistent with the views and intentions of the Honourable the Court of Directors.

In directing that the arrangements subsisting between the house of Messrs. William Palmer and Co. and the Nizam's Government, for the payment of his Highness's troops at Aurungabad, should be brought to an immediate close, the Honourable Court are still solicitous that the general credit and interests of the house should be supported, as far as might be compatible with the due attainment of the object of their orders; and, under this impression, I concur in the instructions proposed to be communicated to Mr. Metcalfe in the third paragraph of the draft.

It seems essentially necessary to require from Mr. Metcalfe a full explanation of the pecuniary transactions between the Minister and the house of Messrs. William Palmer and Co., which is adverted to in Mr. Metcalfe's letter of the 20th ultimo.

Fort William,
17th July 1822.

(Signed) W. B. BAYLEY.

To C. T. Metcalfe, Esq., Resident at Hyderabad.

Letter from Secretary to Government.

Sir:

1. The Governor-General has received a very urgent representation, on the part of Messrs. William Palmer and Co., of the apprehended injury to their credit, and to the stability of their establishments, from the promulgation of the orders conveyed to you in my dispatch of the 7th June, as creating an impression that they had forfeited the protection of the British Government generally.

2. The Honourable the Court of Directors having, in their instructions to this Government on which those orders were founded, distinctly expressed a desire, that the execution of the measures which they have felt it their duty to present, with relation to that firm, shall be so regulated as not to injure its credit,

Bengal Political Consultations, 19 July 1822.

Letter from Secretary to Government.

credit, and having indeed manifested a generous anxiety upon the point, the Governor-General in Council, with a just participation of the feeling, considers it necessary to direct that you shall formally apprize Rajah Chundoo Loll the tenour of the Court's orders referred only to pecuniary transactions between the house and the Nizam, or his Government. You will please further to explain, that with those exceptions, the countenance of the British Government has not been in any degree withdrawn from the house, but that the house continues to enjoy it in regard to its ordinary banking and commercial dealings within his Highness's dominions, not involving, directly or indirectly, the guarantee of the Minister or the responsibility of the public revenues of the state.

3. The Governor-General in Council thinks it probable that you have represented to the Minister the obligation on his honour and good faith, to make as early payment of the balance due on the unadjusted accounts of the house, which have been ordered to be brought to a close, as the paramount exigencies of the state will admit; for the Honourable the Court has expressly defined its notion of a close to the arrangement, to consist in the restoration of the tunkhas by the house of William Palmer and Co., as soon as the advances made by that firm on the Aurungabad account shall have been repaid. That degree of interposition, as referring to arrangements made before the receipt of the positive inhibition from home, will be equally consonant to the pleasure of the Honourable Court and the disposition of the Governor-General in Council.

4. In your letter of the 20th June, you allude to some debt to the house from the Minister standing at twenty-four per cent. interest, distinct from either the Aurungabad arrangement or the loan of sixty lacs. Were this a personal account of the Minister's with the house as his bankers, you would scarcely have called the attention of Government to a matter with which it could have no concern; but, by the context, it is judged that you mean to indicate it as connected with some public transaction, on which account Government must desire information respecting it.

I have, &c.

Fort William,
17th July 1822.

(Signed) G. SWINTON,
Secretary to the Government.

Letter from Resident at Hyderabad.

To G. Swinton, Esq., Secretary to the Government, Fort William.

Sir:

1. I commenced a tour in the middle of January, which terminated in the commencement of the present month, through the south-eastern, easternmost, and north-eastern parts of the Nizam's territories, returning from Woon on the Wurda by the direct route to Hyderabad.

2. This tour led me through the sircars of Bhongeer, Nilgoonda, Dewarkonda, Kumniun, Palooncha, Wurrangul, Ramgeer, the districts on the Wurda, and those of Eidulabad, Neermull, Balcoonda, Myduck, &c.

3. A great part of this tract in Palooncha and Ramgeer is covered with forest, and much infested by wild beasts, excepting round the villages scattered at great distances. It seems never to have undergone cultivation; or if it ever has, it must have been at a remote period, beyond the memory of man, and it will take a very long time before it can become a well cultivated or populous country.

4. Other parts, for instance, the south-eastern, and a considerable portion of the country on the road between the Wurda and Hyderabad, seem to be peopled and cultivated in the same degree with the rest of the Nizam's country generally; but there is every where spacious room for improvement.

5. The districts on the Wurda are recovering from a state of almost entire waste; and I had the satisfaction of learning from Mr. Clarke, of the Nizam's service, who is stationed in that quarter, and to whose zealous exertions the improvement is owing, that the number of ploughs in use in those districts has trebled since last year. I entertain great hopes that that part of the country

country will become very flourishing. In common with the greater portion of the Nizam's territory, it has a very rich soil; and, what is denied to most parts, the advantage of water-carriage for its produce to the Bay of Bengal, which may hereafter, perhaps, tend greatly to the advancement of those districts in wealth and prosperity. Symptoms are already rising of individual speculation in that quarter, from which beneficial results to the country may be reasonably expected.

6. Abuses of various kinds, and requiring various remedies, have been disclosed during the tour above described. In some cases, oppression has been exercised directly by the officers of the Government, both for the Government and for themselves. In other instances, where the power of Government has been less directly exercised, local oppression has been committed by the Desmooks and other hereditary district officers, partly from the abuse of power for self-advantage, and partly to supply the means of paying the undue exactions levied on them by the Government itself. In some districts, the hereditary officers seem to have usurped nearly the whole authority, slighting, evading, or opposing that of the Government: and in situations convenient for the purpose, in recesses of the mountains and forests, persons of the same class have established themselves as chiefs of banditti, and have become the terror of neighbouring districts by continual and extensive depredations. These evils have, no doubt been aggravated by recent misgovernment: but it does not appear that the direct Government of the Nizam was ever established with thorough efficiency in the wild parts therein alluded to; and as I have little doubt that these evils will gradually yield to the remedies which it is in the power of the Government to apply, I am inclined to believe it will henceforth possess more efficient power over that part of its dominions than it has hitherto enjoyed.

7. I continue to be perfectly convinced of the necessity of that intervention of advice and influence, which his Excellency the Governor-General in Council has been pleased to authorize for the welfare of this country. There never, I suppose, was elsewhere a territory so entirely abandoned to the pillage of extortioners, seeking no end but their own illicit gain. There never can have been an administration of Government less paternal or more careless of the good of the people and the interests of the sovereign. As affairs were going on, I know not how long the country could have avoided utter dissolution. The crisis seemed near at hand, if the Governor-General in Council had not interposed the saving shield of British protection.

8. Of the actual benefits arising from the exercise of our influence, the most prominent and most important I conceive to be, the cessation, or to speak more properly, the diminution of oppression. If, indeed, it had ceased entirely, and there were sufficient reason to trust that it would not be resumed, then all further interference on our part might be withdrawn, and the country be left to recover, as it could, by its own natural exertions. But unfortunately there is such a propensity in the officers of Government towards extortion, and so little effort on the part of the Minister to repress it in others, with so decided an inclination to exercise it himself, that incessant vigilance is necessary, even to preserve an adherence to the settlements which have been concluded by his authority and with his sanction. He generally applies the remedy when a particular evil is pointed out; but without our undiminished care, there would be such a general relaxation and counteraction, as might lead to worse oppressions than those which have been subdued, for such, I have little doubt, would be the effect of a relaxation.

9. Next to the diminution of oppression, and arising out of it, is the confidence, or as that may be too strong a term, the hope, which the agricultural community begin to entertain of protection against extortion, and security in their engagements. Under the influence of this feeling, cultivation has, in several parts, extended itself; and if the favourable reports which I received were not sometimes countervailed by others of a discouraging nature, relating to still existing oppressions, I should entertain very sanguine expectations of the most prosperous results.

Bengal Political Consultations, 19 July 1822.

Letter from Resident at Hyderabad.

10. As it is, notwithstanding many symptoms of counteraction, much good has been done; and by a steady perseverance in the same course, I hope that much more will be gradually accomplished. It is not, perhaps, to be expected, that bad habits can be instantaneously thrown off by the agents of so corrupt and unprincipled a Government.

11. In exercising the powers entrusted to me, one of the objects most carefully kept in view is, to avoid all unnecessary interference. All instructions to the gentlemen employed on the part of the Nizam's Government are accordingly framed in conformity with this view. They are not allowed to issue orders. They inquire and report; they aid and advise local authorities; they are to remonstrate, in the event of oppression or violation of engagements on the part of the Government, but their functions are not authoritative; and though, as checks on oppression, they may sometimes be in collision with local powers, they are enjoined, in every other respect, to co-operate with them, and to uphold the Nizam's Government by all means in their power.

12. Another object of equal importance, which is secured by the same means, is to keep entire and unimpaired the whole system and machinery of the native Government, so that when the time shall come when our intervention may be withdrawn without detriment to the people, that measure may be adopted, without any derangement or obstruction of the movements of that Government.

13. As a part of this plan, as well as proper in other respects, no interference whatever takes place in the nomination of native officers of any grade. When any of these are guilty of extortion or other oppression, their misconduct is represented to the Government, and they are generally dismissed; but in no instance have I, by recommendation or otherwise, directly or indirectly promoted or influenced the nomination of their successors: and this rule, I think, it necessary to adhere to as fixed, from policy as well as propriety; for though it might seem that we should gain an advantage in having to co-operate with officers of our own recommendation and selection, I am sure that we should immediately lose much of our weight, and the means of benefiting the country, were we to become the acknowledged patrons of the local authorities, or have public offices filled by natives pretending to possess our protection.

14. Another of the chief objects of our exertions, secondary only to the prevention of oppression, is the preservation of the integrity of the Nizam's sovereignty. This end is never lost sight of in the measures pursued, and the cordial co-operation of his own Ministers is alone wanting to secure its attainment. They unfortunately think less of their master's interests than of their own, and to protect him against their usurpations, has become a part of the anomalous duties of the British Resident at this court.

15. His Highness continues abstracted from public business, and I have as yet made no progress in dispelling the cloud of mystery in which he is inveloped. In our personal intercourse, which has been rare, his manner is civil, and even kind; but he evidently labours under restraint, and I fear that people interested in preventing a more unembarrassed communication, contrive to keep alive his jealousies and apprehensions. It is not clear to me, whether his abstraction from public business, which is of long standing, proceeds from natural indolence and love of ease, or from disgust at the control exercised by his Minister with our support. Whatever may have been the cause, he has so long withdrawn himself from the affairs of Government, that much as one would naturally desire to see the legitimate sovereign of the country in the exercise of his proper functions, there must be considerable risk, if he ever take up the reins of actual rule, that much mismanagement will arise from his inexperience and want of habit.

16. I cannot flatter myself that he views with unqualified satisfaction the measures adopted for the relief of his people from oppression; for he most probably distrusts our motives, in taking so much pains for the welfare of a foreign country. But he has not offered the slightest objection; and the reports which reach me of his remarks on this subject, tend to a belief that he is perfectly sensible of the evils produced by the mal-administration of his Minister, and glad of the change which has recently been effected.

17. It

17. It is generally supposed that his Highness is so disgusted with his present Minister, Rajah Chundoo Loll, as to have nothing so much at heart as his removal. I am not prepared to controvert the correctness of this universal belief, for his Highness frequently displays in public undoubted symptoms of his dislike, and the Rajah is himself in continual apprehension of his own downfall. Yet I should imagine, that if the feeling and wish attributed to the Nizam were so strong as is supposed, they would shew themselves in a more undisguised manner. His Highness has never directly conveyed to me any expression of dissatisfaction at his Minister's conduct, and the insinuations which come to me through parties intriguing for their own ascendancy, are not, of course, to be relied on. I am inclined to think that the Nizam must be aware, that whatever Chundoo Loll may be in other respects, he is undoubtedly the cleverest man at his court; and that, desirable as it may be to displace him, on account of his extortions, and his unprincipled waste of the public resources for selfish corrupt purposes, it would be very difficult, if not impossible, to find a substitute equal to him as a man of business.

18. Nawaub Mooneer-ool Moolk, the nominal Chief Minister and supposed rival of the real Minister, seems to enjoy the enormous portion which he receives of the state revenue, and the ostensible preference evinced by his Prince, without making any hazardous struggle to acquire the proper power of his office. He is, of course, aware of the original conditions on which he received that office, and he and his relations are indulged with large pecuniary gratuities by Chundoo Loll, who knows well how to raise up support and keep down enmity, by the appropriation of his sovereign's revenue for the preservation of his own power. The efforts made by Mooneer-ool Moolk's party are therefore very faint, and their only effort, as yet, seems to be, to keep Chundoo Loll in a state of alarm.

19. The latter continues to be, as described in former despatches, the actual ruler of the country, neither the Nizam nor the nominal first Minister having any share in the management of affairs. He co-operates ostensibly in the work of improvement; and, in fact, every measure adopted has proceeded from his authority as the Nizam's Minister. He acknowledges the former existence of oppression on the part of local authorities, as well as the necessity of reform; and must be really sensible of that necessity, from the depopulation and loss of revenue, which were making rapid strides: yet, perhaps, no one in the whole country is less cordially friendly to the measures which he has adopted, for their chief good is to check the extortions which he and his agents used to practise, without scruple and without measure.

20. I have repeatedly endeavoured, but now almost despair of succeeding, to obtain from the Minister some accurate view of the condition of the finances of the state. I have not yet, however, been able to procure any satisfactory account, either of the revenues or of the disbursements, or of the debts of the Government. All that I know certainly, from indisputable demonstration, is, that the Minister is borrowing money in various quarters, and anticipating the public revenue by granting assignments on future years.

21. This is the most unsatisfactory part of the Nizam's affairs, and will receive my continued attention. I know not how the Government is to go on, without a thorough reform of the Minister's conduct in regard to his disbursements, or, at least, without a clearer understanding of his financial proceedings than we have yet obtained. At present, there is the strongest reason to believe, that he lavishes the revenue of the state for the support of his own power, while he leaves the army unpaid, and is burthening the Government with a load of debt, which will hereafter crush the state itself or ruin its creditors.

22. Since my last return to the Residency, he has professed to be very anxious to pay off the loan borrowed from Messrs. William Palmer and Co., and has urged me on this subject, with an apparent earnestness for which I am at a loss to account. He proposes to appropriate thirty lacs to this purpose in the course of the next year, if his Excellency the Governor-General in Council will accommodate him with thirty-five lacs at six per cent. interest, for the repayment of which the peshcush we pay to the Nizam is to be mortgaged. The above

thirty

Bengal Political Consultations, 19 July 1822.

Letter from Resident at Hyderabad.

thirty and thirty-five, in all sixty-five lacs of rupees, to be applied to the payment of Messrs. William Palmer and Co.'s loan.

23. This proposition has originated with him. At least, whether it originated with himself, or was suggested to him from another quarter, it was not called for by any overture from me; for pending the decision of his Excellency the Governor-General in Council on the scheme submitted by me in April 1821, I have not agitated the subject. The Minister, as before observed, has urged his proposition with a real or pretended eagerness which I cannot comprehend; but, in forwarding it, I am bound to notice its defects.

24. Any advance towards the payment of Messrs. William Palmer and Co.'s loan, by the application of a surplus revenue or the substitution of a debt at a lower rate of interest, would, of course, be a benefit to the Nizam's Government; but I do not believe that the sum mentioned by the Minister (sixty-five lacs) would redeem the whole of the debt due to Messrs. William Palmer and Co. As far as the papers received from the Minister on this subject are yet intelligible, there seems to have been little or no progress made in the reduction of that debt since it was created; and exclusively of that loan, the terms of which are known to Government, there appears to be a separate account with Messrs. William Palmer and Co., and a further debt to that firm running on at twenty-four per cent. per annum interest, subject to half-yearly settlements.

25. The limited resources of the Nizam's Government, under the improvident management of the present Minister, cannot bear the burthen of debt accumulating at so high a rate of interest; and though Messrs. Palmer and Co. seem to dread the payment of their loans as if it were an evil, I fear that they have much more serious evils to apprehend, from the eventual inability of the Nizam's Government to pay either principal or interest: for there are other loans, besides those of that firm, to be attended to, accumulating and increasing every day.

26. Independently of my belief that sixty-five lacs would not be sufficient to redeem the whole debt due to Messrs. William Palmer and Co., there is another defect in the Minister's plan equally serious. I do not know where he is to obtain the thirty lacs which he talks of providing. He will not, I am confident, produce it from surplus revenue. He mentions a way of obtaining ten or twelve lacs by a forced contribution from certain landholders in the south-western parts of the Nizam's dominions, who pay at present an inadequate revenue. Whether this measure would be just and admissible, or unjust and therefore inadmissible, must depend on the nature of the tenure of those landholders, of which I have not seen any account. The claim most probably would be disputed, and this doubtful resource is the only one which the Minister can point out for the realization of only about one-third of his proposed payment. I cannot, therefore, submit his project, without expressing my doubt of the accomplishment of his part in the execution of it; unless, indeed, after making such a proposition, and it being accepted by the British Government, his obligation to abide by it should lead to the discovery of resources, of which I am at present ignorant.

27. The interchanges of territory agreed on by our Government and the Nizam's were effected last year; but the Commissioner at Poonah seeing reason to believe that the revenue of the territory ceded by the Nizam would not equal the sum at which it was estimated, has since been engaged in inquiries directed towards the ascertainment of that point. I have now received his estimate, from which it appears that there is a deficiency. This will probably be disputed by the Nizam's Government, to which a transcript of Mr. Chaplin's statement has been communicated, and I shall hereafter have the honour of reporting more at length on this subject. The formal conclusion of the treaty of partition, which was suspended for the final adjustment of these territorial exchanges, is of course still delayed; but merely the formal act, and the insertion of the names of districts to be mutually ceded, remain to be completed.

28. I beg permission to bring to the notice of the Most Noble the Governor-General in Council, the names of those gentlemen from whom I have derived the

the most essential aid and support in the introduction of order and protection into the Nizam's country. These are my Assistants, Lieutenant Barnett and Mr. Wells; and of the Nizam's service, Major Seyer, Captain Sutherland, and Captain Clarke. All these gentlemen have been actively engaged in carrying into effect the arrangements prescribed by the Nizam's Government, for the settlement of the revenue, the investigation of abuses, and the promulgation of reform; and all the good that has been effected may be chiefly attributed to their generous zeal for the welfare of the people, and their exemplary prudence in the management of the delicate trusts assigned to them. I am also under great obligations to my assistant, Mr. G. A. Bushby, and to Captain Thomas Mackenzie of the Nizam's service, for the cordial and efficient assistance which I have derived from them, in communicating with the several officers employed in the Nizam's affairs.

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Letter from Resident at Hyderabad.

29. Mr. Sotheby's office has always required his presence at the Residency, where he has discharged the local duties which have devolved on him with his usual ability and judgment, and with the most ready attention to my wishes and instructions. He has also had his share in promoting the improvement of the country, by receiving the numerous petitioners who flock to the Residency, and bringing to the notice of the Nizam's Government such cases as need it.

I have, &c.

Hyderabad, 20th June 1822. (Signed) C. T. METCALFE, Resident.

Ordered, That the following instructions be addressed to the Resident at Hyderabad.

To C. T. Metcalfe, Esq. Resident at Hyderabad.

Letter from Secretary to Government.

Sir!

1. My despatch of the 17th instant will have apprized you of the receipt of your letter of the 20th ultimo, on the subject of which I am now directed to communicate the following observations and instructions.

2. The Governor-General in Council observes that the points submitted in your despatch are too numerous and important to admit of immediate decision, but will be taken into deliberate consideration hereafter.

3. The only point to which his Lordship in Council deems it necessary to advert on the present occasion, is that stated in the twenty-second paragraph of your despatch, *viz.*, the Minister's professed anxiety to pay off the loan, and the mode he proposes of accomplishing it.

4. Under the recent orders received from the Honourable Court, the Governor-General in Council feels that he has a latitude of discretion in assisting the Government of Hyderabad to extricate itself from its financial difficulties, which his Lordship in Council did not consider himself to possess at the time when the scheme submitted in your letter * of the 5th April 1821 was first brought to his notice. To the length of guaranteeing a loan, a measure of doubtful legality and of still more questionable expedience from the provisions it would involve, the Governor-General in Council does not feel the constructive licence from the Honourable Court as extending; but although it is only by inference, he would regard himself as justified in consenting to an arrangement, framed on the basis of our retaining the peshcush of the Circars till the stipulated advances to the Nizam should be repaid by the accumulation.

5. His Lordship in Council, therefore, is now willing to entertain that proposition of the Minister, and to enter into the consideration of the best means of giving it effect.

6. The plan of the Minister, as stated by you, is to appropriate thirty lacs of rupees, in the course of the ensuing year, to the payment of the debt, provided the British Government will accommodate him with a loan of thirty-five lacs at six per cent. interest, for the payment of which the peshcush we pay to the Nizam is to be mortgaged.

7. His

* See page 194.

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Letter from Secretary to Government.

7. His Lordship in Council concludes, that in an affair of such moment, the Minister will have submitted his proposition to you in writing; and, in that case, his Lordship in Council will be glad to receive a copy of the paper in which it was conveyed. Should his communication have been merely verbal, you will be pleased to take the earliest opportunity of reviving the subject, and call on him for a detailed plan, exhibiting the means by which he purposes to provide the sum of thirty lacs, and signifying his assent to the mortgage of the peshcush for the amount to be advanced by the British Government.

8. You will also renew your instances to the Minister to furnish you with a correct statement of all the debts now outstanding against the Government, including, of course, that adverted to in the last paragraph of my letter of the 17th instant, and of the actual resources of the State to meet the various demands upon it.

9. On the receipt of the information now called for, the Governor-General in Council will be prepared to enter into a consideration of the expediency, or otherwise, of complying with the Minister's proposition, when the various questions connected with the liquidation of the loan contracted with the house of Messrs. William Palmer and Co., and the debts of the Government generally, will receive his Lordship in Council's most deliberate attention.

10. You signify your opinion, that there is much room to doubt whether it will be in the Minister's power to provide funds to the extent of thirty lacs from the resources of the ensuing year. Should this apprehension prove to be well-founded, it may be necessary to consider the expediency of extending the advances of the British Government, so as to enable Chundoo Loll to effect the discharge of the loan, without having recourse to the ruinous measure of anticipating the revenue. The amount of the peshcush will admit of its being mortgaged for a sum exceeding that specified by the Minister; and it may prove to be for the joint benefit of both Governments to extend the accommodation proportionally, with a view to effect so important a reduction of interest.

I have, &c.

Fort William,
19th July 1822.

(Signed) G. SWINTON,
Secretary to the Government.

EXTRACT BENGAL POLITICAL CONSULTATIONS,

The 26th July 1822.

Bengal Political Consultations, 26 July 1822.

Letter from Resident at Hyderabad.

To G. Swinton, Esq., Secretary to the Government, Fort William.

Sir:

1. I have the honour to report the execution of the instructions conveyed in your letter of the 7th ultimo, respecting the discontinuance of the arrangement made by Messrs. William Palmer and Co. with the Nizam's Minister, for the payment of a considerable portion of the Nizam's army.

2. It was first necessary to ascertain whether the execution of the orders was practicable. They arrived on the day before one on which I was engaged to pay the Minister a visit. I took advantage of this opportunity to discuss the subject with him. He expressed great satisfaction at the orders, as relieving the Nizam's Government from an unnecessary* expense, and undertook readily to make other arrangements for the regular payment of the troops.

3. He wished me to defer making any communication to Messrs. William Palmer and Co., until his new arrangements were completed; but it did not appear to me that such concealment would be just towards those gentlemen, and I communicated the instructions of his Excellency the Governor-General in Council to them, immediately after my return from the Minister's house.

4. He

* "*Nahuk Khurch*" was the original stronger expression of the Minister.

Bengal Political Consultations, 26 July 1822.

Letter from Resident at Hyderabad.

4. He wrote next day requesting to see me, and two of the principal partners came to the Residency the day after. They complained very much of the order, as likely to be dangerous to their very existence in its consequences, and urged me to postpone its execution for four or five months. They stated with so much earnestness their conviction of the utter ruin to their credit which would ensue, that if they could have shewn reasonable ground for that conviction, I should have felt myself justified in meeting their wishes by the spirit of your despatch: but as it was, they seemed to have no other ground for alarm, than such as would necessarily attend the discontinuance of any arrangement formed with the sanction of the British Government. My duty, therefore, seems to require that I should execute the orders issued to me. Since that interview, I have received a letter from Messrs. William Palmer and Co., of which a copy is enclosed.

5. I must defer a detailed reply to the third paragraph of your letter, until I obtain from the Nizam's Minister certain accounts which are necessary for the elucidation of the subject, and there is great difficulty in obtaining from that personage any accounts that can be relied on. At present, I may venture to say, that the plan adopted for the payment of the troops in Berar through Messrs. William Palmer and Co., has, in practice, answered the expectations formed of it, with regard to regularity of payment. This, however, has been effected at a considerable charge, which, with proper management, might have been avoided. The business of the house in general, under this arrangement, was to receive and disburse the revenues of the districts on which they had assignments. They did not consider themselves as bound to furnish funds if the revenues failed; and twice, during last year, they declared a stoppage of payment from want of assets. I was, in the last instance, compelled to authorize the paymaster to draw for a short time on the Residency treasury. The payments of Messrs. William Palmer and Co. were resumed after a short interval, and the advances from the Residency treasury repaid by the Nizam's Minister. It appears from Messrs. William Palmer and Co.'s letter, herein enclosed, that they are now considerably in advance on this account. On the balance which they may produce against the Nizam's Government I cannot offer any opinion, without the accounts before mentioned.

6. Supposing the revenues of the districts assigned to have been found insufficient for the reimbursement of Messrs. William Palmer and Co., the Minister's general resource to supply the deficiency must have been by additional assignments on other districts; for this seems to be his only resource on such occasions, and a very objectionable one it is. The discontinuance of assignments to Messrs. William Palmer and Co. in Berar, will be one of the advantages of the termination of the late arrangement for the payment of the troops. The influence which they derive from these assignments throughout a great extent of territory, cannot salutarily be entrusted to individuals, engaged in a pursuit which has their own gain for its exclusive object. The same mode of payment prevails with respect to the interest, &c., of their loan to the Nizam's Government, and is likely to continue. If the Nizam's Minister could be roused to foresight or regularity, I should urge him to make all his payments to Messrs. William Palmer and Co. from a public treasury, rather than by assignments on the revenue: but treasure he has none, and is too improvident ever to have any by his own arrangements.

7. Notwithstanding the alacrity with which the Minister has undertaken to provide for the payment of the troops, I shall be surprized if some irregularity do not take place at the commencement of the change from the former practice. I do not, however, conceive that any difficulty that may occur will be insurmountable; and I am confident that, ultimately, the change must be beneficial and productive to the Nizam's Government.

8. With reference to the fourth paragraph of your letter, Messrs. William Palmer and Co., as you will observe, state their inability to bring to a close the transactions therein alluded to. I believe the declaration, as to the present time, to be correct. The other parties have not ready money at command, and the charges of interest, &c., are such as are likely to keep them always involved.

Bengal Political Consultations, 25 July 1822.

involved. The jagheer of Nawaub Shah Yar-Ool Moolk was attached a short time ago by Rajah Chundoo Loll, for the benefit of Messrs. William Palmer and Co. It is now, I understand, released, or about to be released, upon some compromise or arrangement for their satisfaction. The Minister denies generally any guarantee to such engagements; but the ready aid which the influence of Messrs. William Palmer and Co. obtains from him is practically equivalent.

I have, &c.

Hyderabad, 5th July 1822. (Signed) C. T. METCALFE, Resident.

P.S.—I do not rely on the Minister's denial of the existence of guarantee on his part, generally.

Letter from Messrs. Palmer and Co.

To C. T. Metcalfe, Esq., Resident, Hyderabad.

Sir:

We have the honour to acknowledge the receipt of your letter of the 24th June, enclosing extracts from orders by his Excellency the Governor-General in Council.

We have proceeded to act upon these orders, and have directed the branch of our establishment at Aurungabad to cease its transactions with the Nizam's Government for the payment of the troops. We beg to submit to you, that there is a large balance due to us from the Nizam's Government, for the payments already made within the year.

We should be most happy to bring the transactions enumerated in our letter of the 15th January 1821* to you, to a close; but we beg to inform you, that from the involvements of the parties with whom our engagements are formed as principals, we can see no prospect whatever, from our own efforts, of effecting this object immediately. We will omit no exertions to pay the strictest obedience to the orders of the Governor-General in Council, and to emancipate the Minister from his guarantees, for which purpose we will press the parties either to close their transactions with us, or to give us other competent securities.

We have, &c.

Hyderabad, 3d July 1822. (Signed) W. PALMER AND Co.

Ordered, That the following letter be addressed to the Resident at Hyderabad.

Letter from Secretary to Government.

To C. T. Metcalfe, Esq., Resident at Hyderabad.

Sir:

I am directed to acknowledge the receipt of your despatch of the 5th instant, reporting your proceedings under the instructions of the 7th ultimo.

2. Adverting to the instructions already conveyed to you in my letter of the 17th instant, the Governor-General in Council will suspend the consideration of the several points noticed in your despatch, until the receipt of your further report.

I have, &c.

Fort-William, 26th July 1822. (Signed) G. SWINTON, Secretary to Government.

EXTRACT BENGAL POLITICAL CONSULTATIONS,

The 24th August 1822.

Bengal Political Consultations, 24 August 1822.

The Governor-General lays before the Board translations of Persian documents forwarded to him through Mr. William Palmer of Hyderabad.

Translations of letters from Rajah Chundoo Loll to the Governor-General and Private Secretary, and of their accompaniments.

Translation.

* See page 146.

Translation of Persian Papers forwarded through Mr. William Palmer of Hyderabad. Received 16th August 1822.

Bengal Political Consultations, 24 Aug. 1822.

From Rajah Chundoo Loll to J. Macnabb, Esq. (No date.)

After compliments.—Owing to the kindness and friendship entertained towards me by former Residents, it was never necessary for me to employ any person to make representations on my part to the Governor-General; but now, in consequence of the unfriendly behaviour of Mr. Metcalfe, a different course becomes requisite for the preservation of my character. Having heard much of your good qualities from gentlemen who have visited this quarter, I feel a longing desire to establish an intimacy with you. I now send a Khureetah, containing a statement of my affairs, to be presented to the Governor-General; also copies of two letters addressed by me to Mr. Barnett, no answer to which has ever been returned. I beg that you will lay both before his Excellency for his perusal, and oblige me by informing me of his Lordship's instructions and observations in reply.

From Rajah Chundoo Loll to his Excellency the Governor-General. (No date.)

Although I never had the honour of addressing your Excellency direct before, yet you will doubtless have been kept fully informed of my conduct and character by the communications of former Residents. Circumstances have now, however, occurred, which compel me to trouble your Lordship with this address, and that too without further delay.

From the first moment of Mr. Metcalfe's arrival, I did all in my power to cultivate a good understanding with him, and to conform in every respect to his pleasure. Whatever he suggested as proper to be done, it was my care to have carried into immediate effect. Thus, whilst the questions of equalizing the income and expenditure of the state, and restoring prosperity to the country, were under consideration, Mr. Metcalfe having stated to me that the Government Aumils oppressed the Ryots, and mismanaged every thing, and that he would himself superintend a settlement, I agreed instantly and cordially, because it was his wish, though the arrangement was distasteful to me, and had not the sanction of his Highness the Nizam. During the progress of that settlement, the Resident reduced the annual assessment in the sum of twenty-two lacs, and struck off twelve lacs of balances (which were in reality recoverable), under the impression that no assets existed for the payment. In all this, too, I concurred fully, that the Resident might not have to complain of any want of support in carrying his measures through. At the same time, I continued my own endeavours to reduce the expenditure to a level with the resources of the state, notwithstanding this great diminution of the land revenue. Accordingly I reduced the charges on account of troops and other heads of disbursements, in * the amount of forty-one lacs annually, and applied sixteen lacs of the money saved annually to the discharge of the public debts to merchants, and of the tunkhas of troops whom it was necessary to maintain during the war. I likewise bound down the Talookdars, by penal engagements, not to exact one grain more from the Ryots than they stand engaged for; and I have no doubt but that several pergunnahs, which had suffered much during the former disturbances, will, in the course of four or five years, be restored fully to cultivation. According to the best of my comprehension, I have committed no fault and been guilty of no omission, which could warrant the displeasure of Mr. Metcalfe. But that gentleman has, without any reason, adopted unfriendly sentiments towards me, and denies me his confidence; which my enemies observing, they have laid hold of the circumstance to spread reports of their own restoration to office, and they are constantly plotting together, and laying schemes for future mischief, in concert with the soldiers and Omra, who are discontented with me, on account of the reduction in the military establishments and jagheers.

Besides

* The passage is rather obscure, and may mean that the whole expense was reduced to the amount mentioned.

Bengal Political Consultations, 24 Aug. 1822.

Besides this, Mr. Metcalfe has twice, during his visits to his Highness, preferred complaints against me; and it is his intention to visit his Highness in future alone. God knows, what further he may be pleased to state. My other enemies, who are always on the look-out to injure me, make representations against me to his Highness of another kind, so that I am, on all sides, encompassed and embarrassed in a most extraordinary way. Since I am entirely a dependant of the British Government, and owe my promotion, and maintenance in office, solely to its countenance and support, (for otherwise how could an unworthy creature, like myself, discharge adequately the duties of so arduous and invidious a situation), it is my sincere wish and intention, as long as I live, to perform my duty well towards both states; and your Lordship knows in what way I acted during the disturbances. (*Query*, the Pindarree war.)

I am now overwhelmed with regret and astonishment at reflecting, that notwithstanding the former kindness and support which have contributed so materially to the good government of this country, it has at this time become apparent to all, that the present Resident is most unfriendly towards me, and the disaffected are in consequence ready to rise in arms against me. Under these circumstances, I formed the resolution of making some special endeavour to satisfy the Resident's mind, and to remove his displeasure. I accordingly sent a humble communication, through Mr. Barnett, stating that, in consequence of his obviously unfriendly disposition, my enemies were laying plots, and conspiring to disturb my administration of the affairs of the country; and, moreover, waited myself on Mr. Metcalfe, and tendered every possible degree of respect and submission. But all would not do: not the slightest symptom of kindness was shewn me, and I could discern nothing but proofs of an entire want of confidence. Before the above visit, I had addressed two letters on certain subjects to the Resident, which he has never answered: I have enclosed copies of them, therefore, in the letter to Mr. Macnabb, for your Lordship's perusal.

I have been guilty of this boldness (in addressing you), merely with a view to the preservation of my honour. Whatever orders and directions you may be pleased to issue in my behalf, I shall consider the source of prosperity in both worlds, and act conformably to them.

Translation of a Persian Roll accompanying the foregoing Letters.

(This roll has no date, seal, nor signature.)

*Copy of a Letter addressed to *Barnett Sahib Behadur.*

It has become necessary that certain circumstances connected with the state of the country and my own affairs, which are the cause of debt being incurred, should be mentioned to the Resident (literally *Sahib Alishan*, the gentleman of high dignity). Let it not be concealed, that the distresses of the country, which some are in the habit of ascribing solely to the oppression of the Talookdars, have arisen from a variety of causes. During the government of the late Nizam and of Rajinder Behadur, increase upon increase was assessed on the Talooks, to the ruin of the Ryots; and such immense sums were levied as fines and extra cesses, that no banker of substance remained in the country. When Meer Allum was at the head of the administration, he imposed an additional cess of three annas on the talooks, as his own perquisite. On my succeeding to office, having sincerely at heart the improvement of the country, I relinquished the demand for three annas from all those divisions whose assets were deficient, and besides reduced Meer Allum's assessment on the territory at large, very nearly in the amount of thirty lacs of rupees. During the two or three years that the irruptions of the Pindarries were at their height, several villages and talooks were completely laid waste, whilst Nosajee Naik, Luchmun Naik, and others, excited disturbances in the direction of Aurungabad and Berar; and Gono Rao, Jugunnath Rao, Bhopuh, Chukut Rao, Jukut Jogee, and others, did infinite mischief by their misconduct in the quarter of Turkhoondeh Boonyad (probably Kalburga). Besides this, the frequent passage of troops through the country during the war, occasioned much injury to the crops; and the marches and counter-marches, in the pursuit of

* The name is spelt "Barnt," without any diacritical points, except over the last letters.

of Bajee Rao and the Bhoonsla, added to the evil. The ravages of the cholera morbus, and the effects of a distressing scarcity, contributed at this period to create still further loss and embarrassment, by carrying off thousands of human beings. God knows, that under such complicated difficulties, I thought not of myself, but was anxious only for the prosperity of the Nizam's dominions. Whilst the war raged, I fulfilled punctually whatever instructions the Nawaub Sahib Jung (Mr. Russell, I presume,) gave me, regarding the provision of troops, supplies, carriage, &c., and I secured funds for paying monthly the contingent, acting under the orders of the English gentlemen by borrowing from the house. On the conclusion of the war, Sahib Jung (Mr. Russell) observed to me, that the improvement of the country was an object of solicitude at the Sudder (I suppose the presidency), and that it would be advisable for me to reduce the military establishment, and pay off the debts of the native bankers. I fully and heartily concurred, and told him I would forthwith commence disbanding the troops; but warned him, that the chiefs and soldiery would, in consequence, become exceedingly dissatisfied, and strive to the utmost to ruin me. The Resident, in reply assured me, that he would report the circumstances to the Governor-General in Council, and obtain from thence a full indemnity for my proceedings; and shortly afterwards he made known to me, that his Lordship in Council had expressed the most gracious assurances of assistance and support throughout, in carrying on the reforms meditated. After receiving this communication, I set to work in retrieving the finances of the state, by reducing the military establishments, making suitable advances to the Ryots, and granting a decrease of assessment wherever it appeared necessary. Whilst I was thus employed, the present Resident arrived. That gentleman soon apprized me that he had the improvement and prosperity of his Highness's dominions much at heart, and would himself proceed towards Aurungabad and Berar, to superintend the formation of a settlement of the revenue. I concurred, without any authority from the Nizam, being anxious only for the good government of the country, and to satisfy the Resident; hoping, besides, that by yielding to the measure, all ground for future complaint and interference would be removed, as after a settlement should have been once adjusted in the above manner, there could not possibly be any cause left to cry out against the oppressions of the Talookdars. His Highness was excessively displeased at my having taken such a step without his express permission. Still, however, I strove only to please the Resident, and consented to all the reductions which he proposed. Now, by the blessing of God, a settlement has been completed for four or five years. Leases have been granted by the Government, and counterpart engagements taken from the Ryots, and there can be no longer any cause to complain of the exaction of Talookdars. The Talookdars of the Government will collect, and the Ryots will pay according to their engagements, and the country will soon attain to a most flourishing state of cultivation. I have also, with great efforts, brought down the expenses of the Government to a level with its income, and have taken into my most anxious consideration the means of discharging those heavy debts, which originated chiefly in the indispensable necessity of maintaining a large encrease of military force, during the irruptions of the Pindarries and the disturbances of the Zemindars before noticed. The outlay on account of the Russell Brigade and Troop alone, and the purchase of horses, &c., have been, from the time they were first organized to the present day, nearly fifty lacs of Rupees. In the same way, the expences on account of the other portions of the contingent, and the loss of interest in consequence of the arrangement of paying the troops monthly, have amounted to immense sums. Had I manifested any neglect, or indisposition to provide the force stipulated for in the treaty, the very existence of this state might have been endangered. But I, intent only on the performance of my duty, considered neither the loss of interest nor the heavy debt incurred: and I felt a confident persuasion, that the best way of ensuring the stability and prosperity of the Nizam's Government, would be to fulfil rigidly the conditions of the treaty with the British Government. The services which I performed at the period alluded to, must be well known to the Governor-General in Council, from the reports of Mr. Russell, General Hislop, and Sir John Malcolm: and I may here be permitted to observe, that whatever

was

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was done was effected by myself alone, without the assistance or intervention of any one else.

A principal object which I have now in view, is the discharge of the debt to the house: and my plan is this. I contemplate obtaining thirty additional lacs during the course of the fusly year 1232, which will begin two months hence, from certain talooks; but in carrying into effect this part of the scheme, I require a certain degree of countenance and assistance from the Resident, for the following reasons. The Zemindar of Sholapore holds a country which yields eight lacs of Rupees at a rent of only Rupees 1,35,000 per annum; the Zemindar of Gurwal collects four lacs, and pays only Rupees 1,08,000; the Zemindar of Sukoor collects three lacs and pays only about one. I wish to demand from these, by way of composition for the immense profits which they have enjoyed for many years, a sum of ten or twelve lacs, to be applied to the relief of the state. This will form a part of the thirty lacs, and be appropriated to the liquidation of the debt with the house. For the further extinction of this debt, bearing a high interest, I am desirous to borrow from the British Government the sum of thirty-five lacs, at a low rate of interest, for the punctual payment of which I am willing to mortgage the seven lacs received annually on account of *chicacole* (the Northern Circars). I engage solemnly never to require payment of the yearly compensation (seven lacs) to the Nizam's Government, until both the loan above solicited (thirty-five lacs), and the interest, shall have been completely discharged. As to the pay of the Russell Brigade, which is now furnished out of the above yearly compensation, I promise to provide other funds for the punctual discharge of the same, by four annual instalments, out of the resources of certain profitable talooks. When the debt of thirty-five lacs has been liquidated, then the troops can be again paid, as before, out of the compensation money of seven lacs per annum. If matters can be arranged in the manner above pointed out, through the favour and kindness of the Resident, both the reputation of the British Government will be extended by such conduct towards a faithful ally, and this state will be enabled to effect a settlement of its debts, and will enjoy the advantage of a reduction of the interest of the same. As, however, the house rendered me essential service when I was in great difficulties, by lending money, both during the war, and afterwards, when the peace of the country was disturbed, by the clamour and mutiny of the troops disbanded or about to be dismissed, I am most anxious that some indemnity* (or compensation) should be provided for them. It is true that they must be exposed to great loss, from the loan being repaid to them sooner than was agreed upon; but I will undertake to satisfy them in some way, and to grant such privileges and facilities in the conduct of their trade, by way of compensation, as shall diminish the amount of their loss to the utmost extent practicable.

I have also another representation to make. Mr. Metcalfe having now completed the settlement of all the talooks of the Government, and having granted leases for four or five years, he cannot any longer apprehend exaction on the part of the Talookdars, as they will take, and the Ryots will give, according to the engagement entered into. But Mr. Metcalfe has, notwithstanding, in addition to Messrs. Sutherland, Sayer, Clarke, and Ralfe (before employed in the Mofussil), sent out Mr. Lye to Nilcondah, Mr. Hislop to Dewarkonda, and Mr. Campbell to Meiduk ek. What question connected with the settlement is still left undetermined, that the gentlemen should again go out to take possession of the country, and interfere in the management of its affairs? and what will be the eventual consequences of this proceeding? In the meantime, all kinds of reports are circulated to my discredit, and both the Nizam and the public think that I have given up possession of the country, of my own authority, to the English gentlemen. The justice of the British Government is well known, and this state is entitled to expect that possession of the talooks, and the management of its internal† affairs, should not be assumed by the English, without its concurrence and sanction. The country of no other ally has been dealt with in this way. I, alone, am reproached: I, who am entirely a dependent of the British Government, and owe my elevation and support

* A strange word occurs here, to which no very definite meaning can be attached, though the general sense is obvious: it looks like "*Pa buja.*"

† This passage is rather obscure in the original.

support in office exclusively to its favour and assistance. I labour night and day in discharging the duties of the administration; and reserving but a small portion for my family, I expend the whole produce of the half anna per centage, and profits on the enrolling of horsemen, which are the emoluments of my office, in charitable donations, for the benefit of the representative of the British government (or it may be his Highness) and of my own soul.

I now hope, that through your kind management and assistance, the innovations upon which I have commented may be made to cease, and that matters will be in future conducted conformably to the old-established practice, and the conditions of the treaty. I cannot conceive that there is any reason now to apprehend that the Talookdars will exact more than the Ryots have engaged to pay, or will endeavour to anticipate the collections. You know well that every person is ready enough to complain about the merest trifle. I will give full attention to all complaints; and if, by chance, any Talookdar should commit oppression, he shall be punished and turned out of his talook; if any Ryot refuses to pay his just dues, he shall be chastised. Besides, the Resident himself makes twice a year tours through the country, and how should any oppression escape his notice? But this double Government is a source of great loss and detriment to the state. I send copy of a letter from the Talookdar of Kalburga, &c. for your perusal. The Ryots and Zemindars of that talook came three months ago to the capital to conclude a settlement: they were here two months, and gave in Cabooleats to Mr. Sotheby, receiving quoll (or leases). The Talookdars distributed the assessment in each village, according to these engagements, and took engagements from the Ryots and Zemindars to pay two lacs and fifty thousand rupees, in lieu of the collections at the end of Rujeeb and Shaban. You will see now, from the Talookdars' letter, what excuses are made for failing to discharge the public dues.

What more need I write? I am quite powerless: It rests with the Resident to decide the matter. If you will be so obliging as to write all this to the Sudder, and lend me the benefit of your assistance, it will be an excessive favour. I have not made the above statement for my own benefit, but my sense of duty towards his Highness the Nizam has impelled me to draw it up. Pray make known all this to the Resident.

Translation of a Copy of a Petition of Rajah Sukhoo, Talookdar of Kalburgd, &c. dated 26th Shaban 1237 (*corresponding with* 18*th May* 1822).

I before reported to you Mr. Hislop's arrival. According to your orders, I communicated to him the terms of the leases and the engagements I have entered into with the Zemindars; but he disapproved of every thing, and said it is necessary to inspect the original accounts, for five years beginning from 1228, and you must therefore send for all the Mocuddims, &c. before the gentleman's arrival. I had settled the jumma of each village, and dismissed the Mocuddims and Putwarries. I had realized one instalment, and was about collecting the second at the moment. As I could not help myself, I was obliged again to send for all the heads of villages; and, in consequence, the business of collection has been greatly interrupted. The gentleman declares, that if the Mocuddims are not brought in with the accounts in three days, he will march away, carrying the Zemindars with him. Such a proceeding would occasion the most serious interruption, both to the business of collecting and making advances for next year; I am therefore in the midst of difficulties and perplexities, and report these circumstances for your orders.

Translation of a copy of a second Persian Roll, which has neither date, seal, nor signature: Copy of a letter addressed to Barnett Sahib Bahadur.

When I spoke in your presence on the subject of the double Government, you observed, if any gentleman behaves ill inform me of it. Although it is not my practice to write against gentlemen, I am compelled now to state the following circumstances for your information. I find, from the representation of the Vakeel of the Talookdar of Ferozeabad, that some Havildar having taken a few rupees from a village under the head of Khurch land, Mr. Hislop laid

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hold of Sudhoo Pundit, the Naib of the talook, and put him in confinement. Also the Vakeel of Rawna Pundit, Talookdar of Bhowungurh, states, that Mr. Lye took the Wasil Bakee of that pergunnah under the Pundit's seal. Mohummud Rosburn, Talookdar of the sircar of Nelcondah; and represents, likewise, that the above gentleman has called for his accounts. Three months ago, I granted leases for five years, at a jumma reduced by the sum of Rupees 1,30,000 per annum, to the ryots of Kalburga and Chuckowlee, in the presence of Mr. Sotheby. Mr. Hislop has set aside my leases, and granted such further reductions as he was pleased to think proper, giving leases from himself, and also allowing them to appropriate the crops: after this, what security is there for the payment of the public resources. Under these circumstances, the Ryots of Kalburga, &c., who only want an excuse, hold back payment of the revenue, even on the reduced terms of their last engagements. When the Talookdars are treated in this way, and required to produce their accounts, it is easy to imagine what an opinion the Ryots and the public will form of leases granted by me, and of my authority in the country. I will say no more. The Resident is just and supreme. I have written the above for your information.

The Governor-General also lays before the Board drafts of a letter to Rajah Chundoo Loll, in reply to the foregoing, and of instructions to the Resident at Hyderabad.

The Board concurring in the drafts, Ordered, That the following letter and instructions be accordingly written to Rajah Chundoo Loll and Mr. Metcalfe.

Letter from the Governor-General.

To Rajah Chundoo Loll.

Your letter, with its accompanying documents, has been received. The channel through which you sent it, namely, the house of William Palmer and Co., was not a proper one; and I request that no communication to me may ever be made again in that mode. The Resident has been directed to apprize you of the entirely favourable disposition of this Government to the house, regarding what are purely commercial concerns; but it must not interfere in politics.—I will, at all times, with pleasure receive any statement which you may wish to make to me, if you transmit it through the Resident, or address it direct through the Persian secretary, should you prefer this latter: in the mean time, immediate attention shall be paid to the contents of your letter. Though I am persuaded that you misinterpret the disposition of the Resident, when you suppose him to have any views hostile to you, the plighted assurance of support which you have received from this Government will be again impressed on his recollection.

Believe me, &c.

Letter from Secretary to Government.

To C. T. Metcalfe, Esq., Resident at Hyderabad.

Sir:

1. Letters from Rajah Chundoo Loll, to the address of his Excellency the Governor-General and the Private Secretary, with accompanying Persian documents, having been transmitted by the Rajah, through the channel of Mr. William Palmer at Hyderabad, I am directed to transmit to you the enclosed copies and translations of those papers, and to acquaint you, that his Lordship proposes to return an answer to the Rajah's letter, in the terms of the enclosed English draft. The letter from his Lordship when prepared in the Persian language, will be transmitted to you by the officiating Persian Secretary, for the purpose of being delivered to Rajah Chundoo Loll.

2. The Governor-General in Council will be glad to receive from you a report, in detail, on the several points noticed in the letter from the Rajah, and in the accompanying papers, purporting to be copies of letters addressed to your Assistant, Lieutenant Barnett. You will be pleased to mention whether Lieutenant Barnett immediately reported those documents to you.

3. I am further directed to desire, that you will be pleased to report the date on which you communicated to Rajah Chundoo Loll the particulars of the disposition

disposition of the Honourable Court towards the firm of Messrs. William Palmer and Co., as directed by the instructions which were dispatched to you by an express on the 17th ultimo, specifying the terms used by you in that communication. Bengal Political Consultations, 24 Aug. 1822.

4. The Governor-General in Council has under his consideration your despatches of the 29th July and 1st instant, on the subject of which you will receive an early communication.

I have, &c.

Fort William, 24th August 1822. (Signed) G. SWINTON, Secretary to Government.

Ordered, That a copy of the foregoing letter to Rajah Chundoo Loll be sent to the Acting Persian Secretary, with instructions to prepare the letter, under the seal and signature of the Governor-General, and to forward it, with copies of the Persian documents above referred to, to the Resident at Hyderabad.

EXTRACT BENGAL POLITICAL CONSULTATIONS,

The 13th September 1822.

The following despatches from the Resident at Hyderabad having been read in circulation; Ordered, That they be here recorded. Bengal Political Consultations, 13 Sep. 1822.

To G. Swinton, Esq., Secretary to the Government, Fort William.

Letter from Resident at Hyderabad.

Sir:

I have this day had the honour of receiving your letter of the 17th instant, on the subject of Messrs. William Palmer and Co.'s affairs.

2. I beg you to assure the Most Noble the Governor-General in Council, that the instructions conveyed in that despatch have been anticipated, in all my communications with the Nizam's Government relating to the late orders for the discontinuance of the Aurungabad arrangement, &c.

3. The Nizam's Minister has, from the first, been perfectly aware, that those orders leave open to the house any dealings not involving the guarantee of the Minister or the responsibility of the state revenue. Nevertheless, as directed, I shall now make a further communication to him to that effect.

4. The Minister, also, is fully sensible of his obligation to pay all balances due to Messrs. William Palmer and Co. Whether or not the paramount exigencies of the state will admit of his doing so, completely and immediately, with regard to the Aurungabad account, is at present unknown to me. In other instances which have come under my notice, the other exigencies of the state have been sacrificed to the demands of that firm. At the present moment, the pay of the troops and other public establishments, and if I am not misinformed, the household list and privy purse of the Nizam himself, are kept in arrears, and other creditors are neglected, in order that Messrs. William Palmer and Co. may receive the largest possible assignments on the public revenue.

5. No exhortation is necessary, on my part, to induce the Minister to consult their interests. I have observed in him, ever since I came to Hyderabad, a persuasion of their power and influence, which operates most forcibly in their favour; and though he has repeatedly, of late, entreated me to obtain the assistance of the British Government to release him from their trammels, that persuasion still exists, and will continue to ensure them every possible advantage. I might, without much chance of failure, pledge myself, that they shall be considered before any of the exigencies of the state: at all events, I may promise sincerely, that they shall not be neglected, after due provision for such exigencies as may be deemed paramount; and if there should be the least appearance of the reverse, I shall, of course, interpose, under the instructions which I have received in the manner prescribed. They may suffer ultimately from the natural consequences of the Minister's improvidence,

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improvidence, but they will, I doubt not, be the last to suffer. Hitherto they seem to have considered the accumulation of balances against the Government as an advantage gained to themselves.

Letter from Resident at Hyderabad.

6. It may be asked, why if this statement be accurate Messrs. William Palmer and Co. should entertain the alarm which they have represented to his Excellency the Governor-General. Similar alarms, on their part, have before now prevailed, with even less foundation than the loss of a profitable branch of their business, and apparently without any foundation whatever; and to such alarms they are more exposed than other European houses of commerce, from the peculiarity of their situation and transactions. Their capital being for the most part borrowed, and chiefly locked up in their loans to the Nizam and others, the least run upon them would be dangerous; for they could not, most probably, in a time of want, derive much assistance from the native money market of Hyderabad: thence they tremble at the possibility of any unfavourable rumour. But this is one of the peculiarities of their situation, for which if they do not provide by suitable arrangements, the fault is theirs. With reference to their recent occasion, when they apprized me of their apprehension, I incurred a very distressing responsibility in declining to give way to it; but they could not shew me any ground for it, which would not equally apply to the execution of any instructions in the least degree unfavourable to their interests. I am happy to say, that I am not aware of any injury to their establishment from the late orders, beyond the loss of the profits which they necessarily abolished.

7. The twenty-five per cent. interest account, adverted to in the fourth paragraph of your despatch, exhibiting a balance at the period to which it is brought up in the document presented to me by the Nizam's Minister of about twenty-five or twenty-six lacs of rupees against the Government, is, as I understand it, entirely a public concern, for which the Nizam's Government, and the public revenues are responsible. It is distinct from the sixty lac loan and the Aurungabad arrangement. I shall have the honour of submitting all the information in my possession regarding this account, as soon as I can obtain some explanations for which I had applied, previously to the receipt of your letter now acknowledged.

I have, &c.

Hyderabad,
29th July 1822.

(Signed) C. T. METCALFE,
Resident.

Letter from Resident at Hyderabad.

To G. Swinton, Esq, Secretary to the Government, Fort William.

Sir:

With reference to your instructions of the 17th ultimo and my letter of the 29th ultimo, I have the honour to submit the accounts between the Nizam's Government and Messrs. William Palmer and Co. noticed therein, and in my report of the 20th June.

2. No. 1 relates to the sixty-lac loan, called the new debt, which is at eighteen per cent. per annum, or more properly nine per cent. half-yearly interest. No. 2 relates to a separate account, commencing with a balance of old debt. This account bears interest at the rate of twenty-four per cent. per annum, or rather twelve per cent. for six months, being twenty-five rupees and seven annas per cent. annually. No. 3 is an abstract of the two abovementioned statements, shewing the general result of both united.

3. These accounts are brought up to the 24th January 1822. Annexed to them are memoranda of assignments on the revenue since granted, against which are to be set off the charges since incurred and the balance of those assignments not realized. The actual state, therefore, of the account at present, cannot be ascertained till the next half-yearly statement be furnished. It may further be remarked, that the accounts herewith transmitted came from the Nizam's Minister. Whether or not they would agree with those which Messrs. William Palmer and Co. might furnish, I cannot say, never having troubled those gentlemen to produce any accounts.

4. I

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Letter from Resident at Hyderabad.

4. I alluded to these accounts, in my report of the 20th June, as indicative of the improvidence of the Nizam's Minister, and menacing in prospect to the interests both of the Nizam's Government and of Messrs. William Palmer and Co.

5. In confirmation of that remark, the following observations occur on the statement regarding the sixty lac loan or new debt. It appears that sixty lacs was the nominal amount of the loan; but a bonus being allowed of fifteen and one-third per cent., or eight lacs in sixty, for which amount, as repaid, credit is given in the first six months' account, the sum advanced in August 1820 was not more than fifty-two lacs, and in January 1822 the sum due was Rupees 58,20,814. 13. being an increase of debt to the amount of six lacs and more, instead of the decrease which the Minister ought to have effected.

6. In like manner, in the twenty-five per cent. interest account, the amount due in August 1820 was about Rupees 14,70,000, and in January 1822 Rupees 26,71,000, being an increase of Rupees 12,00,000 on that account.

7. The increase on both accounts united, including the bonus as a part of the new debt, is Rupees 10,22,000; and setting aside the bonus as not having been advanced, the real increase is Rupees 18,22,000.

8. Some of the old items in the twenty-five per cent. account seeming to require explanations, I applied for them to the Nizam's Minister, and now submit such as he has furnished.

	R.	A.	P.
Item, Pay of Mr. Robison and men at Madhapore.....	11,472	10	6

Which total is thus distributed: Mr. Robison, Rupees 2,901; a relative of a gentleman of the same name, who made a fortune in the Nizam's service, Daughter of Mr. Danzas, Rupees 300; Mr. Danzas deceased, formerly in the Nizam's service; Mr. Mc Culloch, Rupees 1,800, a writer in the office of Messrs. William Palmer and Co.; pay of some men of Mr. Robison's, Rupees 245, not explained; pay of men stationed at Madhapore, Rupees 6226. 10. 6, not explained.

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Item, Pay of Mr. Robison and men at Madhapore.....	22,641	10	0
Item, Pay of Mr. Robison and men at Madhapore.....	13,468	0	0

These two items are nearly similar in detail with the one above.

Item, Various purchases	70,980	10	0
Item, Various purchases	1,21,386	6	6
Item, Purchases	94,395	4	9

On these three items, amounting to Rupees 2,86,762, the Minister said that he would give explanation if it were insisted on, but would rather decline doing so if permitted. I abstained from urging him; because, after his expressed disinclination, it would not have been delicate to press the inquiry, and because, if there were any thing to conceal, it would not have been difficult to make an explanation calculated to promote deception.

Item, Allowance to Doctor Currie.....	10,919	5	0

Doctor Currie was Surgeon to the Residency and a partner in the house of Messrs. William Palmer and Co. In the former of these capacities he received an allowance of Rupees 1,200 per mensem for medical attendance at the court.

Item, Allowance of Mr. William Palmer and others...	64,800	0	0

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This sum is the yearly allowance which Mr. William Palmer and his family receive from the Nizam's government, in detail as follows: Mr. William Palmer, Rupees 2,000 per mensem; two of Mr. William Palmer's children, at Rupees 1,200 each, Rupees 2,400 per mensem; Mr. Hastings Palmer, brother to Mr. William Palmer, Rupees 1,000 per mensem; total Rupees 5,400 per mensem.

I have, &c.

Hyderabad, 1st August 1822.

(Signed) C. T. METCALFE, Resident.

No. 1.—*Statement of Account with Messrs. William Palmer and Co.*

NEW DEBTS, at eighteen per cent. per annum.

Accounts for six months, commencing 1st Zekaud 1235, corresponding with 12th August 1820:

	R.	A.	P.	R.	A.	P.
Received at Hyderabad	38,54,957	1	9			
Received at Aurungabad.....	13,45,042	14	3			
Received bonus	8,00,000	0	0			
Interest Account, six months ..... R.	5,40,000	0	0			
Less Interest on sums received ...	12,200	0	0			
	5,27,800	0	0			
				65,27,800	0	0
Paid in these six months.....				8,00,000	0	0
Balance due at the end of Rubbee-oo-Sanee, 4th of February, 1821				57,27,800	0	0

Account of six months, commencing 1st Jemadeelawul 1236, corresponding with 5th February 1821:

Balance of last Account.....	57,27,800	0	0			
Interest Account for six months ... R.	5,28,020	11	0			
Less Interest on sums received ...	16,659	0	0			
	5,11,361	11	0			
				62,39,161	11	0
Paid in these six months				3,70,201	0	0
Balance due at the end of Shuwaul				58,68,960	11	0

Account for six months, commencing 1st Zekaud 1236, corresponding with 31st July 1821:

Balance of last Account	58,68,960	11	0			
Interest Account for six months ... R.	5,28,206	8	6			
Less Interest on sums received ...	21,378	14	6			
	5,06,827	10	0			
				63,75,788	5	0
Paid in these six months				5,54,973	8	0
Balance due 24th January 1822 ..... Rupees				58,20,814	13	0

Memorandum:—Assignments on Districts, Hyderabad Rs. 13,45,026 8 0

(Signed) H. L. BARNETT, Assistant.

No. 2.—*Statement of Account with Messrs. William Palmer and Co.*

OLD DEBT, at twenty-four per cent. per annum.

Account for six months, commencing 1st Zekaud 1235, corresponding with 12th August 1820:

	Hd. R.	A.	P.	R.	A.	P.
Balance due to Messrs. Palmer and Co.	14,70,191	4	6			
Purchase of Jewels on the occasion of the marriage of his Highness the Nizam's sisters	1,84,048	13	6			
Pay of Mr. Robison and of men at Madhapore	11,472	10	6			
Various Purchases	70,980	10	0			
Advanced, to enable the Government to dismiss the troops under Noor-ul-Omrah	4,25,579	7	9			
Pay of Bhoguppah Naik, Rahman Khan, &c.	20,261	11	3			
Allowance to Dr. Currie	10,919	5	0			
Allowance to Mr. Ralph	6,800	0	0			
Cash paid for purchase of arms, &c. Russell Brigade	25,783	13	3			
Remaining uncollected of a chit of Shakir Khan	3,100	0	0			
Cash advanced the Ryots of Manick Ghur	10,000	0	0			
Interest Account at 24 per cent.	R.2,24,833	1	6			
Less Interest on sums received	38,617	3	3			
	1,86,215	14	3			
				24,25,353	10	0
Paid to the end of Rubbee-oo-Sanee, 4th February 1821				5,75,979	11	6
Balance				18,49,373	14	6

Account for six months, commencing 1st Jemadeelawul, corresponding with 5th February 1821:

Balance due from last Account	18,49,373	14	6			
Various purchases during these six months	1,21,376	6	6			
Cash paid into Residency Treasury:						
Balance due on settlement of Peshcush Account	1,71,419	1	6			
Allowance of Mr. William Palmer and others	64,800	0	0			
Allowance of Mr. Ralph	6,800	0	0			
Allowance of Mr. Robison and pay of men at Madhapore	22,641	10	0			
Cash paid to Soofer Alee Khan and other horsemen	72,546	0	0			
Interest at 24 per cent.	R.2,32,734	7	3			
Less Interest on sums received	R. 2,561	6	6			
	2,30,173	0	9			
				25,39,130	1	3
Paid during these six months				1,00,890	0	0
Balance				24,38,240	1	3

Account

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Letter from Resident at Hyderabad.

Account for six months, commencing 1st Zekaud 1236, corresponding with 31st July 1821:

	R.	A.	P.	R.	A.	P.
Balance of last Account.....	24,38,240	1	3			
Purchases during these six months	94,395	4	9			
Pay of Mr. Robison and men at Madhapore.....	13,468	0	0			
Allowance of Mr. Ralph	5,100	0	0			
Remaining unpaid of Assignments on Districts.....	49,410	9	6			
Cash to pay off and disband the corps of Mr. Finlass	26,571	8	6			
Pay of Bhoguppah Naick, &c.	19,423	10	6			
Unpaid of a chit of Shakir Khan ...	21,240	0	0			
Cash. Pay of Jowala Purshaud, and of sums due by him on settling Manik Ghur's accounts	35,617	3	0			
Interest Account for six months } R.3,02,663 11 6						
Less Interest on sums received } R.7,952 11 6						
	2,94,711	0	6			
				29,98,177	6	0
Cash paid during these six months				3,26,800	0	0
Balance due on 24th January 1822.....				26,71,377	6	0
Memorandum:—Orders on Districts.....Hyderabad Rupees				6,41,571	8	6

(Signed) H. L. Barnett, Assistant.

No. 3.—Abstract.

Due to Messrs. William Palmer and Co., on 12th August 1820:						
Old Debt.....	14,70,191	14	6			
New Debt	60,00,000	0	0			
				74,70,191	14	6
Due to Messrs. William Palmer and Co. 24th January 1822:						
Old Debt.....	26,71,377	6	0			
New Debt.....	58,20,814	13	0			
				84,92,192	3	0
Increase of Debt on 24th January 1822.....				10,22,000	4	6

(Signed) H. L. Barnett, Assistant.

Letter from Resident at Hyderabad.

To G. Swinton, Esq., Secretary to Government, Fort-William.

Sir:

1. Some days ago, the nominal Prime Minister of the Nizam's Court, Nawaub Mooner-ool Moolk, sent me a message, saying that he had been directed by his Highness to wait on me, and adding a complimentary intimation of the gratification which he derived from that order. I returned the reply usual on such occasions, expressive of the happiness which I should have in seeing him, and he came the next day.

2. A visit of this kind from the Dewan was so unusual, if not unprecedented, since the nomination of the present Ministers, that it naturally attracted much attention. Rajah Chundoo Loll considered that it was meant as an attack on his power, and was much alarmed. He gave me notice of it previously to Moneer-ool Moolk's message; but added a different account of the cause, for he

he informed me that the Nawaub had persuaded the Nizam that he had been invited by me.

3. When Mooneer-ool Moolk came, after some common complimentary conversation, he apprized me that he had been sent by the Nizam to enquire how matters stood, with regard to the interchange of territory between his Highness and the British Government, especially as to whether or not further cessions would be required from his Highness. I replied, that there was a balance against his Highness, arising out of the excess of revenue which he had received compared with what he had ceded, and that I hoped the matter would soon be adjusted to his Highness's satisfaction.

4. This being the whole of the Commission with which Mooneer-ool Moolk professed to be charged, he went on to talk of other matters on his own part. He spoke of our measures for the amelioration of the condition of the Nizam's subjects, and praised highly what had been done. He described also the Nizam's feelings on my conduct generally in such flattering terms, that if I could believe what he said, I should be satisfied that my endeavours to carry into effect the benevolent intentions of the Governor-General in Council had not been exerted in vain. But I need not point out, how impossible it is to be sure that a native of India is speaking truth, when he has any object to effect.

5. He used different terms, as was to be expected, with regard to Rajah Chundoo Loll, and dwelt particularly on the waste of the public resources in bribery, for the support of his power. He said that the whole of the Nizam's family was bribed; and of his own, he declared not only that every servant that he had was in Chundoo Loll's pay, but that even his own mother-in-law sent that Minister a daily account of the occurrences of the inmost recesses of his (Mooneer-ool Moolk's) house. Of the general truth of what he said on this subject I have no doubt, having always received similar information from various quarters.

6. During his discourse on the state of the country, I availed myself of the opportunity to endeavour to impress on his mind, with a view also to its possible communication to the Nizam, a correct notion of the real nature, object, and extent of our interference in the affairs of his Government. I knew that reports, exactly such as under such circumstances might be expected, had gone abroad, of our present measures being only a prelude to taking entire possession of the country as a British possession, I therefore explained to him that our actual interposition was precisely with an opposite view, and in order to save the Nizam from such a result, which, in the way in which ruin was proceeding, would have been inevitable. I further explained, that as soon as any assurance could be obtained that oppression would cease, our interference would be immediately relinquished as unnecessary and useless. I have repeatedly held out the same pledge to Rajah Chundoo Loll, when he has offered temporary opposition to measures which I have recommended as essential; and I hope to see the day, when this pledge may be safely redeemed. I hold the same language to all persons who communicate with me on the subject, in anticipation of the suspicions which, with or without interference, the natives of India are universally inclined to entertain, judging from the events of our history, without being able to discern their causes.

7. This visit from Mooneer-ool Moolk has doubtless been considered as the commencement of an intrigue against Chundoo Loll. From the alarm which it produced in the mind of the latter, he must have entertained a similar apprehension. I have endeavoured to persuade him, that he has no reason to dread any serious consequences. One of his observations was remarkable: "What "can Mr. Metcalfe do, however much inclined to support me, if the Nizam "himself proposes my dismissal?" This was before Mooneer-ool Moolk's visit, and it seems that Chundoo Loll must have apprehended that such a communication from the Nizam was in contemplation. My own belief is, that this fear is without ground; and I am happy to say that Mooneer-ool Moolk did not hint, in the most distant manner, at the probability of the Nizam's entertaining such an intention.

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Letter from Resident at Hyderabad.

8. Mooneer-ool Moolk has since informed me by message, that the Nizam was much pleased with the assurances which our conversation had enabled him to carry to his Highness, of my attachment to his Highness's interests, and of the friendly dispositionof the British Government. That the Nizam expressed much gratification at Mooneer-ool Moolk's communication of the result of his visit, I hear, also, from other quarters: but why he should particularly be so I know not, for there was nothing in my communications to Mooneer-ool Moolk, which his Highness might not have heard long ago through Chundoo Loll. I am uncertain, therefore, as to what I may infer from this information.

I have, &c.

Hyderabad, 9th August, 1822. (Signed) C. T. METCALFE, Resident.

The Governor-General lays before the Board a draft of the instructions which he purposes to be sent to the Resident at Hyderabad, in reply to the foregoing dispatches.

The Board concurring in the proposed draft; Ordered, That it be here recorded.

Letter from Secretary to Government.

To C. T. Metcalfe, Esq, Resident at Hyderabad.

Sir:

I now proceed, by command of his Excellency the Governor-General in Council, to reply to your dispatches of the 29th July and 1st of August, of which the receipt was acknowledged under date the 24th ultimo.

2. Their contents are calculated to excite sentiments of extreme surprize and displeasure in the mind of his Lordship in Council at the conduct of the house of William Palmer and Co., and of the Minister, Rajah Chundoo Loll. A conclusive judgment, of course, is not formed, while there is a possibility that Messrs. William Palmer and Co., who have had no opportunity to answer, might shew the existence of misapprehension in the statement; but at present there is strong presumption, that those gentlemen have been engaged in extensive pecuniary dealings, unknown to the Resident or the British Government, while they were professing to make a frank and unreserved disclosure of all such transactions existing between them. Even with regard to the loan of sixty lacs, an account of which is now submitted, there is ground to suspect the most culpable misapplication of the funds specifically assigned for payment of the principal and interest of that debt, since instead of the reduction of debt which was calculated to take place annually by the application of the produce of the tunkhas furnished to the house, the balance due to them in January 1822, exceeded the amount of cash advanced in a sum of upwards of six lacs of rupees.

3. The sums originally received on account of that loan, appear also to have been grossly misapplied. The Governor-General in Council has, on this occasion, referred to your dispatches of the 17th March* and 5th April 1821†: the former exhibiting the Minister's statement of the appropriation of the proceeds of the loan, and the latter reporting the fact of a considerable sum allowed to the house by the way of bonus, to which further reference is made in the letter of the 1st August now replied to. When the proposition for the loan was first submitted by the late Resident, the Governor-General in Council was solicited to give his sanction to the arrangement, on the plea that the command of a considerable sum of ready money was requisite, to enable the Minister to carry into effect some measures of reduction, necessary to the success of the plans of reform then in progress. It was stated, that besides the liquidation of certain old debts bearing a high rate of interest, and the saving of annual outlay that would thus be effected, establishments were to be paid up and discharged or reformed, so as to create an annual saving of twenty-five lacs of rupees. It appears, however, from the account rendered by the Minister, as reported in your dispatch of the 17th March 1821, that of the amount borrowed from Messrs. William Palmer and Co., then stated (though as it since appears erroneously) at sixty-seven lacs of Hyderabad rupees, a sum little short of

* See page 190. † Page 193.

of twenty-nine lacs was applied to the payment of former loans from the same house (supposed to be a part of the old debt at high interest, above alluded to), and Rupees 13,27,528 to the discharge of debts due to native bankers, hearing an interest of twenty-four per cent; and that of the remainder, a sum of less than sixteen lacs went to the payment of arrears to troops, some of whom as the Minister states, were retained, though a great proportion was discharged. All the rest was expended in a manner, the permanent benefit of which to the state must be limited in degree, if not doubtful, however it might have relieved the Minister from temporary pressure. It further appeared, from a subsequent statement of the Minister, that a bonus of eight lacs of rupees was allowed to Messrs. William Palmer and Co, on this transaction, constituting a solid addition to the debt, for which no equivalent was received by the Nizam, and bearing interest at eighteen per cent. to be settled half-yearly like the rest of the loan.

4. The statement of the amount and appropriation of the loan, from which the above is taken, is however essentially erroneous, since it appears from the account now furnished, which is presumed to be more correct, that the total nominal amount of the loan was only sixty lacs of rupees; so that deducting the bonus of eight lacs, which is still admitted, and the amount of Messrs. Palmer and Co.'s old debt, if that were correctly stated in the first account, the sum to be paid to the Minister would not have exceeded twenty-three lacs. It may be inferred, however, that the sum stated in the first account to be paid to Messrs. William Palmer and Co. on account of their old debt, was overcharged, or that the amount of that debt was upwards of forty-three lacs of rupees even at that time, as it now appears that a balance of Rupees 14,70,191, bearing interest at twenty-four per cent, to be settled half-yearly, forms the foundation of the Account No. 2., enclosed in your despatch of the 1st August.

5. What is the real state of the case with respect to the appropriation of the monies actually received by the Minister, is not apparent. His first account of it, as reported in your letter of the 17th March 1821, cannot be correct, for it is entirely silent with regard to the bonus; and independently of that transaction, there is an error of seven lacs in the aggregate amount. It is doubtful, also, whether any part of it was applied to the permanent reduction of establishment; and whatever advantage may have been gained by the temporary diminution of interest on Messrs. William Palmer and Co's old debt, was speedily lost by the rapid accumulation of a new balance, on terms scarcely, if at all less burthensome than the old.

6. Should these assumptions be well founded, a very unworthy deception has been practised by the Minister; first, in misappropriating the proceeds of the loan; and afterwards, in attempting to palm on you and the British Government an incorrect account. It would follow, that all the anticipations of reduced expenditure and improved resources, through the means of the loan, which were held out to induce the British Government to accede to the arrangement, must have been completely disappointed.

7. The conduct of the house of William Palmer and Co. with respect to the bonus, is considered by the Governor-General in Council to be in the highest degree reprehensible; and the concealment, both by the house and by the Minister, of the real conditions of the loan, while they were seeking the sanction of the British Government to the arrangement, and professing to put it in possession of the details of the transaction, admits of no excuse or palliation, and justifies the inference of a culpable collusion between those parties.

8. You will be pleased to communicate the foregoing remarks to Messrs. William Palmer and Co., and receive from them whatever explanation they may wish to offer on the subject.

9. The Governor-General in Council concludes, that the affair of the bonus was not made known to the late Resident: but his Lordship in Council cannot acquit Mr. Russell of very blameable neglect of duty, in not satisfying himself that the amount of the loan was properly appropriated; or, at least, in not reporting the misapplication to Government, as soon as he became apprized of it, as with ordinary vigilance he must have been.

10. On

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Letter from Secretary to Government.

10. On the subject of the Account No. 2, enclosed in your despatch of the 1st August, I am directed to make the following observations: On the transmission to you of orders for annulling, as to the future, the licence granted to Messrs. William Palmer and Co., on the 23d July 1816, they were called upon to declare what transactions actually existed between them and the Nizam's Government. In their reply, dated the 15th January 1821, after referring to the loan of sixty lacs and the Aurungabad arrangement, they proceed to say: "We have no other transactions directly with the Nizam or his Government, "but we beg to mention those in which the Government may be considered "a party:" and they then enumerate different loans and advances, either to the Minister or on his guarantee, amounting in the aggregate to above thirteen lacs of rupees, besides monthly payments for a period not specified, to the amount of sixteen thousand rupees. It is for Messrs. William Palmer and Co. to reconcile the statement in that letter with the transaction specified in the Account No. 2, enclosed in your letter of the 1st August; and you will accordingly be pleased to call on them for an explanation of this extraordinary proceeding.

11. The only items in that account which imply any arrangement permanently beneficial to the Nizam's Government, are the advance of Rupees 4,25,579, to enable the Government to dismiss the troops under Noor-ool Omrah, and another small payment for a similar purpose. Of the rest, some seem to be loans for temporary and occasional purposes, of which the necessity is not explained, and some for objects of which the utility cannot be comprehended, while the Minister refuses all information. Among them is a large monthly allowance to Mr. William Palmer and Mr. Hastings Palmer, two members of the house of William Palmer and Co., and stipends to the children of the former. These payments to persons who must be presumed to be unconnected with the Government and service of the Nizam, strike the Governor-General in Council as of a very singular nature, more especially with reference to the situation of the two Messrs. Palmer, and the large pecuniary dealings which, as members of the house of William Palmer and Co., they have with the Minister.

12. Had these salaries, or whatever the payments are, been known to the Governor-General in Council, his Lordship in Council would naturally have hesitated to give his sanction to extensive loans and advances from persons so circumstanced to the Nizam's Government. As it is, these payments are liable to the supposition of their being a premium on the loans, in addition to the bonus above referred to; or they must be ascribed to the exercise of an influence over the Minister, effected by means of these pecuniary obligations of the latter, and directed to the gratification of the cupidity of the parties. The transaction, in its present form, bears a very unpleasant appearance, and requires a satisfactory explanation to remove the suspicion unavoidably resting upon it.

13. There is another item which has attracted the notice of the Governor-General in Council, and which appears to demand especial advertence, namely, "allowance to Doctor Currie, Rupees 10,919." Doctor Currie is stated in your despatch to have been, besides Surgeon to the Residency, a partner in the house of William Palmer and Co. It is proper you should be informed that an affidavit, made by Mr. William Palmer and Sir William Rumbold before your First Assistant, Mr. Sotheby, in your absence from Hyderabad on duty, was transmitted from thence to the Governor-General, and by his Lordship placed on record. A copy of it is enclosed for your information. The object of this affidavit was apparently to remove suspicions, which were understood to be afloat, of a connexion between the house and the members of the former Residency at Hyderabad. The circumstance of Doctor Currie being a partner in the firm of William Palmer and Co., though not at variance with the letter of the affidavit in question, does not accord with the impression made by the tenour of that document; for though it is only stated expressly that "no public functionary at the head of any public office or department had any avowed or secret partnership," &c., yet the third paragraph would obviously lead to the belief that no person connected with the Residency was so concerned. I am accordingly directed to request that you will state the grounds on which you describe

describe Doctor Currie as formerly a partner in the house of William Palmer and Co., and the time of his joining and leaving the firm.

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Letter from Secretary to Government.

14. You were apprized by my letter of the 19th July, of the disposition of the Governor-General in Council to entertain the Minister's proposition for paying off the debt of the house of William Palmer and Co. Any definitive resolution on that subject must be postponed till the receipt of your reply. It is proper, however, to state, that his Lordship in Council, notwithstanding his just displeasure at the conduct both of the Minister and the house, is still disposed to further an arrangement, which shall enable the former to discharge that portion, at least, of the debt, which was incurred under the sanction of the British Government, provided satisfactory security be afforded, that the money so advanced will be faithfully applied to the purpose, and that all transactions of any kind, direct and indirect, cease between the house and the Minister. With regard to what is termed the old debt account, the Governor-General in Council considers the house to have no claim whatever to any interference, on the part of the British Government, to see it liquidated: nevertheless, in order to facilitate a general settlement, and an early and complete separation of interests between the Minister and the house, his Lordship in Council would not object to include in the adjustment to be made, by means of funds raised through the instrumentality of the British Government, such portions of that debt as appear to be *bonâ fide* of a public nature, provided the funds in question are sufficient for the purpose. For the remainder, the house must be left to their own means and the justice of the Minister, it being clearly understood that there is no obligation, express or implied, on the British Government to interfere. Previously, however, to any step towards such a general settlement, the Governor-General in Council must have some satisfactory assurance of a more ingenuous and upright conduct on the part of the Minister, with regard to the application of the resources of the state generally, as well as of the funds which will, in the case supposed, be placed at his disposal, and of his sincere and cordial co-operation in the reform. A full and unreserved statement of the debts of the Government, and all advances of monies for which the Minister has given his official guarantee, or in any way pledged the public revenue, together with all particulars of interest, &c., must be faithfully rendered. An exact return of the revenues according to the existing settlement, and of all the public establishments and disbursements forming charges on them, is also indispensably requisite, to afford his Lordship in Council a reasonable assurance, that the effort he is disposed to make for the service of the Nizam's Government will not be fruitless. You will be pleased to call on the Minister for such statements, impressing on him the necessity for rendering them full, accurate, and intelligible. The Governor-General in Council will be prepared, on the receipt of your reply to the instructions of the 19th July, to consider the extent to which pecuniary assistance can be afforded to the Nizam's Government, and the best means of providing funds.

15. You will, of course, understand it to be the wish of Government, that you should communicate to the Minister the foregoing remarks relating to his past conduct and his concerns with the house, and the expectation of a different procedure in future. It is very far from the intention of the Governor-General in Council to withdraw or weaken any of those assurances of support, which have been conveyed to him (Chundo Loll): they may, on the contrary, be renewed. But the Governor-General in Council cannot fail to perceive, that he (the Minister) has not entered into the reform, admitted by himself to be necessary to save the state from ruin, with that zeal and cordiality which the British Government had a right to expect, and which was a main condition of those assurances of support. You are apprized of the exceptions taken by the Minister to some part of your proceedings. It is not the intention of the Governor-General in Council to touch on that subject before the receipt of your reply to my letter of the 24th August; but independently of all reference to particular measures, the Governor-General in Council has a right to expect, that the Minister shall not, by an improvident expenditure of the public resources, or by a resort to secret means of supplying his pecuniary exigencies, counteract those enlarged views of permanent advantage to the state of

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Hyderabad, which are the basis of all the arrangements proposed to his adoption by the British Government.

I have, &c.

Fort William, 13th September 1822.

(Signed) G. SWINTON, Secretary to the Government.

The Governor-General observes, that in the foregoing instructions allusion is made to the reports from the Resident, under date the 17th March and 5th April 1821. It will be in the recollection of the Board, that with regard to those reports relating principally to a plan of raising money to enable the Nizam to pay off the loan to Messrs. William Palmer and Co., the subject was discussed in various minutes by the Governor-General and the Members of the Board, and a reference was made to the Advocate-General, for his opinion on some points arising out of that discussion. The doubts entertained by the Governor-General of the legality of the measure proposed by the Resident, as well as of that proposed by Mr. Fendall, relative to the purchase of the peshcush, rendered it impracticable to come to any conclusive decision at that period, and the several despatches and minutes were withheld by his Lordship from record, with a view to the more deliberate consideration of the subject. The subsequent receipt of the letter from the Honourable the Court of Directors of the 28th November last, has removed, in some measure, the doubts entertained by his Lordship, the tenour of the Honourable Court's observations appearing to sanction a certain latitude of discretion, with regard to assisting the Nizam in obtaining a loan on easier terms. The consideration of the scheme above adverted to was therefore resumed, and a communication was accordingly made to the Resident by the instructions of the 19th July last, directing him to acquaint the Minister that the Governor-General in Council was willing to entertain his proposition, as reported by Mr. Metcalfe in his despatch of the 20th June last, for paying off the loan. The instructions now submitted to the Board are intended to follow up that scheme, as well as to institute the necessary inquiry into certain proceedings of the firm of Messrs. William Palmer and Co., reported by the Resident, and adverted to in the minutes of the Governor-General and the Members of the Board.

The Governor-General accordingly proposes, that the despatches from the Resident at Hyderabad, of the 17th March, and 5th and 14th April 1821, with the other documents hitherto under consideration, be now recorded on the proceedings of this date.—Any points contained in the despatches and minutes aforesaid, relative to the measure of reform and other matters, will be taken up in connexion with the reports which shall be received from Mr. Metcalfe, in reply to the instructions of the 19th July, 24th August, and of those now submitted to the Board.

The Board concurring in the proposition of the Governor-General; Ordered, That the following despatches and other documents be here recorded.

Letter from Resident at Hyderabad.

To G. Swinton, Esq, Secretary in the Secret and Political Department.

SIR:

I have the honour to acknowledge the receipt of your despatch of the 10th ultimo, relating to Messrs. William Palmer and Co.

2. I have communicated to that firm the sentiments conveyed in the second and third paragraphs of your letter.

3. Of the effects of their late loan to the Nizam's Government, on which I am commanded by your letter to report, I cannot speak without hesitation, because not having been here at the time when it was negociated, I may not be fully competent to appretiate the advantages which may have attended it.

4. I am directed by your letter to submit my opinion as to its effects, with reference to the following points: the satisfaction of the Sovereign, the convenience of the Government, the comfort of the people, and the interests of the Honourable Company.

5. As

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Letter from Resident at Hyderabad,

5. As to the degree of satisfaction derived by the Sovereign, I have never heard that he has expressed any opinion on the subject of the loan; and so much as he is abstracted from the affairs of his Government, it will not be very surprising, if to this day he remains either ignorant, or but partially informed, of the circumstances of that transaction. In any event, his satisfaction, I imagine, must be entirely of a negative nature, arising from the continued payment of expenses and supply of funds for his private treasury, which without that loan, or some other, must have been withheld. With regard to its consequences on public affairs, I do not believe that he has concerned himself about them.

6. The degree in which the convenience of the Government may have been promoted, is a subject requiring more detail.

7. The Government was undoubtedly relieved from much pecuniary embarrassment by the loan, and was enabled to pay off large arrears, which had accumulated in several branches of expenditure; but I have been disappointed in finding that the relief was not so much of a permanent nature as I had expected, and that the loan was not appropriated to the permanent reduction of expence to such an extent as I had supposed.

8. Previously to the receipt of your letter, I had called on the Minister for an account of the expenditure of the money received in that loan; and the following is the substance of the account which he rendered.

	Hd. R.	A.	P.			
Amount of loan from Messrs. William Palmer and Co.				67,62,703	9	6
Deduct amount of former debts to Messrs. William Palmer and Co., which became consolidated in this loan				28,94,632	9	6
Remainder, applicable to the service of the state				38,68,071	0	0
Of which disbursed on account of establishments, and charges which still continue:						
Arrears of Nizam's household...	6,03,620	0	0			
Choute for Appa Dessye	68,360	0	0			
Purchase of arms and accoutrements	46,549	8	0			
				7,18,529	8	0
Remainder, after deducting the above				31,49,541	8	0
Tuckavy, or advances to the cultivators	2,35,000	0	0			
Debts to native bankers discharged	13,27,528	0	0			
Arrears of troops and other establishments, part of which are retained and part discharged	15,87,012	10	6			
				31,49,540	10	6
Deduct remainder unaccounted for:.. Hyderabad Rupees				0	13	6

9. The only items in this statement which can, in any degree, have conduced directly to a reduction of expense, are those which relate to the payment of debts to native bankers, and to the payment of arrears to troops and establishments discharged.

10. The annual saving on the debt liquidated, compared with that simultaneously incurred to the same amount, according to the Minister's statement, would

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Letter from Resident at Hyderabad.

would be about Rupees 79,582; for he informed me verbally, in answer to my enquiries on that point, that the difference between the interests payable to Native bankers and that to the house of Messrs. William Palmer and Co. was six per cent per annum.

11. With regard to the item relating to the payment of arrears to troops and other establishments, partly discharged and partly retained, it is impossible to distinguish from the account rendered, what portion of the sum total, amounting to Rupees 15,87,012, was conducive to the reduction of annual charge. The replies of the Minister to my inquiries on this subject, were not clear nor satisfactory. All that I could extract from him was, that of the sum above mentioned, no more than five or six lacs went to establishments retained, and that the rest went to establishments discharged. Omitting ten lacs on this account, it remains to be shewn what amount of annual charge the disbursements of ten lacs enabled the Government to reduce.

12. As a set-off against any reduction of expense that may be supposed to be the consequence of this loan, it must be considered that an annual charge is created by the loan of twelve lacs, on account of interest, at the rate of eighteen per cent per annum, with the addition of four lacs as a sinking fund, in all sixteen lacs per annum.

13. Nevertheless, there is no doubt that the loan was most convenient to the Nizam's Government at the time, and especially to the Minister himself personally; and by enabling him to struggle through temporary difficulties and embarrassments, it may possibly prove the means of greatly assisting the restoration of prosperity in the country.

14. I think, however, that the Nizam's Government is bound to exert itself to effect a reduction of the high interest of its public debt: and, with this view, I shall hereafter submit a proposition for the consideration of His Excellency the Governor-General in Council.

15. It does not appear to me that the comfort of the people has been visibly promoted by the loan. It is not improbable that good may have been done, by the distribution of advances to the cultivators to the amount stated; and if I were sure that advances had been distributed truly, honestly, and judiciously, I should conclude that good had been done; but no decided marks of it have come under my observation, and the general cry of complaint from all parts forbids the supposition of much having been done for the comfort of the people.

16. It does not strike me that the interests of the Honourable Company have been much affected, in any way, by the loan: disadvantageously, certainly not. But for the loan, the increasing embarrassments of the Nizam's Government might have induced, perhaps must have induced, some other measures; and other measures might perhaps have been devised, more advantageous to the Nizam's interests, and so far indirectly to our own, than the one under discussion. It is, however, certainly some advantage gained, that the Nizam's Government has been enabled to struggle on, without any sacrifice on our part, to its present position, from which, with proper measures, there is a prospect of future prosperity.

17. I offer my opinion on the subject of the advantages resulting from the loan with considerable diffidence, as it does not come up to that which was entertained by my predecessor. At the time of making the arrangement, it was stated by the Minister that it would enable him to make reductions to the extent of twenty-five lacs per annum; which, sixteen lacs being assigned in payment of the loan, (*i.e.* interest and sinking fund) would occasion a yearly gain of nine lacs. If this has really been effected by the loan, there can be no doubt, I think, that the loan has been highly advantageous to the Nizam's Government: I acknowledge that I am sceptical on this point, and that I am not much impressed with a belief of the correctness of the Minister's statements; but I have not the means of disproving his assertions. I shall continue to watch the subject attentively, and shall be most happy at any time to have it in my power to report, that the reductions then promised were really accomplished. I am aiming at other reductions, which are necessary for the welfare

of

of the state, and am told that they are in progress; but I am not yet satisfied that they are so. In such matters, the Minister's character and conduct inspire great distrust; and even were he actually making a reduction with one hand, he would very probably be squandering the same amount uselessly with the other.

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18. This dispatch having so much relation to the transactions of Messrs. William Palmer and Co's. house, it may not perhaps be out of place, if I submit one or two observations regarding them and their concerns.

19. The debt which they hold of the Nizam's Government bears a very high interest, which it is desirable to reduce; and in this particular alone, I think their interests and those of the Nizam's Government opposed to each other, and that only under the supposition that with the countenance of the British Government it might not be difficult to raise money on better terms elsewhere; for here, without a guarantee, and perhaps even with it, money could not be procured for the Nizam's Government on advantageous terms.

20. With this single exception of the high rate of interest, which I hope to see lowered, as its continuance is not consistent with the financial prosperity of the Nizam's Government, I do not observe any thing in the transactions of the house requiring interference or restraint on the part of our Government.

21. The enterprize of such a commercial establishment, and the efforts which it would make for its own benefit, must tend, I conceive, to promote the prosperity of the country; and I cannot discover any cause for alarm in its being allowed to have transactions with the Nizam's Government, provided that, in these transactions, proper attention be paid by that Government to its own interests, and that the firm of William Palmer and Co. be dealt with as any other firm would be.

22. With an extravagant Minister like Chundoo Loll, uncontrolled in his expenses, and anxious only to supply temporary wants without heed for the future, a firm, such as that of William Palmer and Co., if sufficiently adventurous to incur the risk, might in time have obtained a mortgage on the greater part of the Nizam's revenues; and as long as the British Government took no interest in the internal management of his Highness's affairs, there may have been reason to apprehend some such consequences from transactions with a house of such extensive influence; but since our Government has agreed to interpose its advice in all branches of the Nizam's administration, there seems to be no room for any apprehension of that kind; and to preclude the Nizam's Government from dealings with the first commercial establishment in his dominions may be injurious, but cannot be advantageous to his affairs.

23. I should think it desirable, in every point of view, that this house should be as unfettered in its transactions as any other commercial concern, and that vigilance on our part should be exercised, not with a view to restrictions on the proceedings of the firm, but solely in order to guard the interests of the Nizam's Government and our own, in those transactions in which they might be at variance with the interests of the house.

24. In the crude remarks herein submitted, I offer the result of my local observations, without of course meaning to presume to discuss the propriety of the restrictive orders issued by the Honourable the Court of Directors.

I have, &c.

Hyderabad,
17th March 1821.

(Signed) C. T. Metcalfe,
Resident.

To G. Swinton, Esq. Secretary, Secret and Political Department.

Letter from Resident at Hyderabad.

Sir:

1. In a recent despatch, I reported that I should soon submit for the consideration of his Excellency the Governor-General in Council, a scheme for the reduction of the rate of interest of the public debt of the Nizam's Government.

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2. There seems to me a mode by which, under his Lordship's sanction, this object could be accomplished with immense advantage to the Nizam's Government, and with little, if any inconvenience to our own.

3. The most effectual mode which seems to me, is by opening the Honourable Company's Treasuries for the receipt of money on loan to the Nizam, under a guarantee from the Governor-General in Council for the regular payment of the interest by half-yearly instalments, and the eventual payment of the principal at the convenience of the Nizam's Government, or if preferable, within a stated time.

4. The only inconvenience that strikes me as possible to arise from such a transaction, is the effect which it might produce on the value of the Company's notes in the market; but the effect, if any, would, I should imagine, be very slight and insignificant. On this point, however, I am not competent to form a judgment.

5. It may perhaps appear, at first sight, that the proposed guarantee on the part of the British Government might be an inconvenience; but I hope to be able to shew, that it would not be so in any degree, as long as we maintain our present power in India.

6. A virtual guarantee exists already with regard to the public debt of the Nizam's Government, for with the least interference in his Highness's affairs, it is impossible that the British Resident can sanction or tolerate any breach of faith towards the public creditors. If the Nizam's Government had no public debt, and could be prevented from contracting one, the expediency of guaranteeing or sanctioning any loan might be questionable; but when, by the intimacy of our connection with the state, we virtually guarantee the payment of eighteen and twenty-four per cent. interest on existing debt, it does not appear to me that there is any ground, on this score, for hesitation, as to an avowed guarantee of a loan at a rate of interest better suited to the state of the money-market in India.

7. Moreover we have in our hands the means of securing the regular payment of the interest, and the eventual liquidation of the principal of such a loan, without the necessity of a word of discussion on the subject at the Nizam's Court, at any future period, which I proceed to demonstrate.

8. I presume that, in the present state of the money-market, with the confidence which the avowed guarantee of the British Government would inspire, money might be obtained at six per cent. interest. We at present pay to the Nizam, through the hands of the Resident, what is termed a peshcush, or tribute, of seven lacs of rupees, on account of the Northern Circars. Herein we have the means of securing the regular payment of the interest of any loan contracted under our guarantee. The amount required by the Nizam's Government to pay off its present debts might be eighty or ninety, or at the utmost one hundred lacs. The Minister's accounts would make it appear, that the least of the sums would suffice; but the interest on the largest would be six lacs, leaving at least some surplus in our hands as a sinking fund. We have only, therefore, to appropriate the peshcush to the payment of the interest of the loan, and that point would be settled without further trouble. By the same means, the liquidation of the principal would be gradually effected, or it might be expedited, at the convenience of the Nizam's Government, from other resources, which I conceive would be advisable.

9. If the principles on which I have advocated the measure hereby proposed be admitted, the details of its execution would not, I apprehend, be difficult. The more they were made to resemble those of our own loans, the greater it may be supposed would be the confidence of the public in the transaction.

10. Considering, on the one hand, the benefit of the Nizam's Government, which would be so greatly promoted by the reduction of the interest of its public debt from twenty-four and eighteen, to six per cent., and, on the other hand, the easy means by which the British Government could confer so great a boon on its ally, the arrangement, with respect to these parties, appears to me to be unobjectionable; and I hope that it may appear in the same light to his Excellency the Governor-General in Council.

11. There

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11. There is, however, another party concerned, whose interests would necessarily be affected by such an arrangement, and are therefore entitled to consideration. I mean the Nizam's present creditors: and in speaking of the Nizam's creditors, one's thoughts turn instantly towards Messrs. William Palmer and Co., who are almost the sole creditors of the Nizam's Government, or who at least hold debt to the amount of sixty-seven lacs of rupees.

12. I thought it due to them, as they were so deeply interested, to communicate to them my intention of submitting the present proposition, in order that they might be prepared for the measure, if it should be carried into effect, or have an opportunity of objecting to it, if they regarded it as a violation of their rights, or so injurious to their interests as to entitle them to peculiar consideration in managing its details.

13. I entertained the hope, that they might have other means of disposing of their capital equally advantageous; but, in the communications which have ensued since the intimation of my views, it has appeared, that they do not contemplate the possibility of such means, and that they would consider the discharge of the loan as extremely disadvantageous.

13A. It appears that they relied on the continuance of the advantages which they derive from the existing loan for at least the period at the end of which it was to be discharged, according to the provisions originally devised for its liquidation; that, in this confidence, they withdrew their funds from other transactions, in order to consolidate them in this one, and that they could not now return, with benefit, to those transactions from which they then withdrew.

14. It seems that, in raising money for this loan, they encountered some difficulties, and were in some instances obliged to pay higher interest than they received, and that they looked for their profit more to the later than the early period of the loan's duration.

15. It is not necessary to argue, that there was not any actual contract, on the part of the Nizam's Government, for the duration of the loan for any definite period, as they do not assert that there was, and admit that the Nizam would have been at liberty to pay it off at any time from his own treasury; but as they knew that such an event, owing to his disposition for hoarding, was most improbable, they seem to have reckoned on the duration of the loan for a certain period, almost as if there had been a contract to that effect, and to have taken their measures accordingly.

16. They allege, that at a time when the Nizam's Government could not obtain money elsewhere, they advanced it at a tremendous risk, before any sanction had been obtained from the British Government.

17. On the grounds stated in the preceding paragraphs, they rest claims on the Nizam's Government: and it appears to me that they may be deemed entitled to liberal consideration, not to the extent of injuring the Nizam's Government by a continuation of the high rate of interest attached to the existing debt, supposing that a loan could be negotiated on more moderate terms, but in the way of compensation for the loss of their present profits, if, at the same time, the Nizam's Government can be sufficiently benefited.

18. It is to be considered, that the Nizam's Government is paying now not only the profits of Messrs. William Palmer and Co., but the difference between the ordinary rate of interest at our Presidencies and the high rate which that house pays to their constituents, from whom the money for the loan was borrowed; so that it would be a great advantage to the Nizam's Government to get rid of this loan, if money could be obtained at the ordinary rate of interest, even though it were to continue to pay to Messrs. William Palmer and Co. the whole amount of their profits.

19. In offering my opinion, that compensation to some extent to Messrs. William Palmer and Co. would be an act of liberal justice on the part of the Nizam's Government, I am at a loss, I confess, as to forming any judgment of the precise amount which it might be right to appropriate to this purpose. The Nizam's Government acknowledges its obligations to the house, and is ready to agree to whatever may be proposed. There would be no difficulty in that

quarter;

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quarter; but taking into consideration their present profits, their possible losses, and their former risks, I find it very difficult to determine what would be a suitable compensation.

20. I stated in a former report, that eighteen per cent. was the interest received by Messrs. Palmer and Co. from the Nizam's Government. I was not aware at that time, but have since been informed by the Minister, that at the time of negotiating the loan, a bonus was allowed of eight lacs. This sum now forms a part of the capital of the debt, and whenever paid off, will be in excess to the amount actually borrowed. It bears interest, I conclude, like the rest of the loan. This being part of a past transaction, is only mentioned here, because it is proper to submit all the information that I possess on the subject: it should have been mentioned in my former report regarding the loan, had it been in my knowledge at the time. This being an advantage already gained, will not, I suppose, be considered in the light of a compensation for the loss of other advantages now in hand.

21. What should be the extent of compensation for the loss of about six per cent. annual profit on sixty-seven lacs, is to be considered. This six per cent. profit would be about four lacs per annum, till such time as the debt should be paid off, which I consider to be uncertain, otherwise than by the means proposed in this despatch; for I doubt the power of the Nizam's Government to appropriate sixteen lacs per annum for the interest and sinking fund of this loan, without incurring further debt. If sixteen lacs could be annually applied for those purposes, the profit of four lacs would of course suffer annual diminution.

22. I understand, from communications with Messrs. William Palmer and Co.; that a payment of one lac and a half of rupees per annum for four years, would reconcile them to the discharge of their loan, and be considered by them as very liberal treatment; though, for their own interests, they would prefer that matters should stand as they are.

23. This may appear a very liberal compensation, but the advantage to the Nizam's government would still be very great; and, if any compensation is to be offered on so large a concern, it could hardly be less than that stated.

24. The gain to the Nizam's Government would be as follows:

Interest on the debt to Messrs. William Palmer and Co. at eighteen per cent. .....Rupees	12,00,000
Interest on the debt to Messrs. William Palmer and Co. at six per cent.	4,00,000
Difference in favour of the Nizam's Government.....	8,00,000
Deduct proposed compensation to Messrs. William Palmer and Co. for four years	1,50,000
The gain would, notwithstanding, be .... Rupees	6,50,000

per annum for that period, and eight lacs for the rest of the probable duration of the debt, supposing the present rate of interest to continue.

25. It would, I conceive, be gratifying to the Nizam's Government to have the loan transaction with Messrs. William Palmer and Co., if it can be terminated with benefit to his Highness's affairs, so terminated as not to give to that house any just cause for reproach. And for myself, though I must crave indulgence for intruding my own feelings, it would, I acknowledge, be a great relief to me, to reflect that my duty had been accomplished, without excessive injury to those whose interests must unavoidably in some degree be affected, if the plan proposed in this despatch should be carried into effect.

26. As it is understood to be personally in the Nizam's power to pay off all the debts of his Government, it may be asked why any assistance on the part of the British Government should be called for for that purpose. The only answer is, that, in reality, the Nizam takes little or no interest in the affairs of his

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his Government; that he looks on his hoard as personal property, which is not to be touched for the use of the state, and that there is no hope of overcoming his reluctance on this point. I have discussed this matter with the Minister, and he is not inclined to venture to propose to his Highness the payment of any part of the debt from his private hoard. If the Nizam's Government is to be befriended and benefited, it must be done for the sake of good itself, in opposition almost to those who ought to be most zealous in the undertaking. Here is a prince who takes little or no concern in the Government; a Prime Minister who, if possible, takes less; a Deputy, who is absolute, but whose administration has been of the most depraved and most mischievous description, who requires continual goading to do the least good, and has an invincible tendency towards sliding back to evil, and from whom there would not be the slightest hope of co-operation for any beneficial purpose, were it not that he is submissive to the power whose support is necessary for his political existence. On this submission rests my hopes, that good will be done for the Nizam's subjects in spite of the defects of his Government.

27. If any objection unseen by me should lead his Excellency the Governor-General in Council to reject the proposition which I have submitted, some benefit may still be gained for the Nizam's Government, if I be permitted to exert myself to obtain money at a lower rate of interest than that which is at present paid; but the success of my endeavours in that way can neither be so complete nor so certain, as that which would attend the execution of the plan herein proposed; and while the gain to the Nizam's Government would be less, the loss to the present creditors would be greater, from its not being so much in the power of the Government to afford compensation.

I have, &c.

Hyderabad, 5th April 1821. (Signed) C. T. METCALFE, Resident.

To G. Swinton, Esq. Secretary, Secret and Political Department.

Letter from Resident at Hyderabad.

Sir:

1. With reference to my late despatch on the subject of the public debt of the Nizam's government, I have the honour to submit copies of a letter from me to Messrs. William Palmer and Co., and of their reply.

2. My despatch to you was written with reference to personal communications which had passed between the members of the house and me; and when I closed it, I had relinquished the expectation of receiving a written reply.

I have, &c.

Hyderabad, 14th April 1821. (Signed) C. T. METCALFE, Resident.

Enclosure, No. 1.

Letter from Resident at Hyderabad.

To Messrs. William Palmer and Co.

Gentlemen:

As the course of my duty will probably lead me to submit to the Governor-General in Council a scheme for the reduction of the interest of the public debt of the Nizam's Government, or in other words, for the payment of the present debt by the substitution of another, bearing a lower rate of interest; and as you are deeply and principally concerned in the debt now existing, I think it due to you to give you the earliest notice of my views in that respect, in order that you may be prepared for such a measure if it be carried into effect, and that you may previously have an opportunity of stating your objections to it, if you conceive that it would, in any degree, violate your rights, or injuriously affect your interests, to so great an extent as to entitle you to a suspension of the design, or to peculiar consideration in the proceedings which may be instituted for its execution.

2. It being beyond my power to anticipate either the decision of the Governor-General in Council on the proposition which I may submit, or the result of any measure that may be attempted for the purpose abovementioned, it is not

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impossible that my intentions may have no consequence, and that the present notice may prove to have been gratuitous and unnecessary. I trust, however, that in any event, you will justly appreciate the motives of this address; and I scarcely need add, that I shall be most happy if the measure, which appears to me to be so desirable for the Nizam's Government, should also seem to you to be concordant with your interest.

I have, &c.

Hyderabad, 19th March 1821. (Signed) C. T. METCALFE, Resident.

Letter from Messrs. Palmer and Co.

Enclosure, No. 2.

To C. T. Metcalfe, Esq., Resident, &c. &c.

Sir:

We have the honour to acknowledge the receipt of your letter of the 19th March.

We have delayed replying to it, as the proposition it contains was so little contemplated by us, we were not able to bring our minds at once to bear upon the question.

Regarding the loan as a contract for a specific period, the whole of our measures since the arrangement took place have been made under that impression. To enable us to carry the negociation into effect, we were obliged to give up the greater part of our minor transactions, which were generally the most profitable; and indeed, in a great measure, not only to render our other transactions subservient to this object, but to change the whole system of our operations.

The loan was, therefore, an arrangement which we should have entered into with considerable hesitation, but for the consideration that the profits were protracted to a specified period of years, and for the additional security which, although perhaps the mere influence of a name, the sanction of the Company's Government had given to the transaction. We adverted with the fullest reliance to the position, that this transaction being a recognition of our services, attended with acknowledged benefits to his Highness the Nizam's Government, in all future relations bearing upon our interests, we should find a due consideration for ourselves in the liberality of either Government.

We have consequently embarked our fortunes so completely in this adventure, by giving up, as we have done, our former branches of profit, which have now passed into other hands, that we can only view the measure, if carried into sudden operation, as one inevitably tending to effect the total ruin of our establishment.

But, as it has ever been our desire to co-operate in any measure which has for its object the benefit of this country, we shall readily enter into any arrangement which you may propose, relying with full confidence upon your liberality and justice for the future consideration and adjustment of our claims.

We beg to assure you, that we are fully sensible of the kind consideration you have shewn to us in your letter.

Hyderabad, 14th April 1821. We have, &c. (Signed) WM. PALMER AND CO.

GOVERNOR-GENERAL'S MINUTE.

Governor General's Minute, 3 May 1821.

My anxiety for a remedy to those financial embarrassments which, through the discontents of the unpaid troops, threatened dangerous commotion in the Nizam's territories, has been often strongly expressed to the Board: it will thence be believed, that any proposition for effecting such a purpose must be caught at by me with earnest solicitude to find it applicable. The plan submitted by Mr. Metcalfe for removing still existing difficulties, by means of a loan to be raised in Calcutta under the guarantee of this Government, was received by me with every wish that it might prove capable of adoption.

Canvassing

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Canvassing it with that prepossession, I yet do not see the practicability of our acceding to the suggestion. This is, I admit, a project intrinsically different from that which I felt myself heretofore constrained to oppose: I mean, our advancing to the Nizam three score or four score lacs from the cash balances of the Company. According to my apprehension, there was a direct legal obstacle to so employing monies, for which a particular appropriation had been prescribed by Parliament. Though the letter of the statute be not so distinct or positive as regards the present instance, I think the sense and spirit of the legislative provision must equally operate now. The object of the Legislature is the diminution of the territorial debt, and it has enjoined all surplus revenue to be applied for that purpose. What Mr. Metcalfe proposes would counteract that intention. The guarantee of so large a sum as is said to be requisite, would be substantially loading the Company with debt to that amount. It is true, the Nizam would be bound with us; but we are aware that every contributor to the loan would look simply to the Company, leaving us to recover from his Highness as we might. Of this Mr. Metcalfe has been sensible; and he imagines that he answers the natural conclusion from the fact, by saying that we have the means of liquidation in our own hands, since we can withhold from the Nizam the peshcush for the Northern Circars. It is impossible, however, not to perceive that the peshcush would, after paying the interest of the debt, furnish a surplus, if any, absolutely insignificant, towards the liquidation of that capital, for which the honour of the Company would remain pledged. To obviate this objection, only one arrangement appears devisable; namely, our requiring to be put in temporary possession of a proportion of the Nizam's territory, equal to yield revenue adequate to the discharge of the interest, and to a gradual reduction of the principal. Such an occupation of a large part of the Nizam's dominions, even with his frank consent, would militate decidedly against the policy I have been pursuing, to encourage and habituate the Native Sovereigns in a just exercise of their sway on regular principles, without our interference; and I should anticipate its being no less repugnant to the sentiments of the authorities at home. But we well know the administration of any of his provinces would never be made over to us by the Nizam, unless through absolute compulsion: an act of oppression, the contemplation of which would not for a moment be tolerated by any Member of the Board. Of course, then, the engagement of this Government to the subscribers would stand, without our having any counter-security but the loose faith of a capricious despot, the breach of which we should be obliged to chasten by a resort to arms, a consequence not to be lightly placed within a probable necessity. In this view of the subject, I could not hold myself justified so to stake the Honourable Company's funds; for the stake would be essentially direct, as I have explained, notwithstanding the nominal conditions. Were my doubt of our competence to take such a procedure on ourselves less forcible, I should still think the disposition of the Honourable Court too unequivocally manifested in a similar question, not to call for our observance in this case. I allude to the fifth paragraph in the Honourable Court's answer to a letter from the Government of Bombay, dated 2d April 1817. The loan raised on our guarantee for the Guicowar, though far short in amount of what is now proposed, incurs disapprobation, not from aught in the terms, but from the measures being opposed to that principle which the Honourable Court inculcates, of not entangling ourselves with the interior concerns of our allies.

Could the loan be procured in Calcutta without the assistance of Government, it would unquestionably be a salutary measure for the Hyderabad State: I should, consequently, rejoice to see it carried into effect. There might be a doubt, from the tenor of the Court's late commands, whether any British house could be sanctioned in subscribing to it. That restriction, possibly, would be unimportant in other circumstances than those now existing, because natives might be found to fill the list. In the present state of things, however, I conceive the undertaking would be hopeless. The financial operation of which notice has been given by Government, will, it is to be imagined, absorb almost all disposable capital. Beyond that, there is a

consideration

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consideration that could not but be fatal to the plan. Persons inclined to subscribe might infer, that although Government did not ostensibly guarantee the loan, it would nevertheless, by indirect procedure, as efficaciously protect the interests of those who contributed to an object which it visibly approved. It would be incumbent on us not to let individuals hazard their property under such a delusive persuasion. When the Honourable Court has been pleased to order, that not even good offices shall be exerted in favour of the Hyderabad Shroffs associated in a loan with the house of William Palmer and Co., though that association had acted under a distinct declaration that they were not to rest upon any intervention of Government, the partiality of holding a different course with the Calcutta Shroffs could never be reconcileable to the sentiments of the Honourable Court; so that the ground on which subscribers would really have to stand must necessarily be promulgated. The considerable interest required for the last loan at Hyderabad, though much below the ordinary rate there, was owing to the refusal of this Government to give any assurance of eventual support. It is not to be believed that Calcutta Shroffs would estimate the risk more lightly than those on the spot, who might have some personal reliance on men in power.

There are points in Mr. Metcalfe's letter on which I should wish explanation. He refers to existing debts of the Hyderabad Government at eighteen and twenty-four per cent. interest. All our discussions in Council respecting the last loan negociated through William Palmer and Co., assumed that money to be raised for the purpose of discharging debt bearing much more burthensome interest, some as high as thirty per cent. If I mistake not, this was the exposition made to us on the part of William Palmer and Co. I am solicitous to learn what are the debts alluded to by Mr. Metcalfe as remaining on such heavy conditions. Further, the character given by Mr. Metcalfe of Rajah Chundoo Loll is so diametrically opposite to that which has been communicated of him throughout the whole course of Mr. Russell's correspondence, that it is extremely desirable to be apprized on what information Mr. Metcalfe has adopted so unfavourable an opinion of that Minister. Though these advertencies are not immediately connected with the admissibility of the loan, they arise out of the same despatch; therefore, the recommending that questions may be put to Mr. Metcalfe on those points, is not foreign to the matter of this minute.

Fort-William,
3d May 1821.

(Signed) HASTINGS.

MR. ADAM'S MINUTE.

Mr. Adam's Minute, 12 May 1821.

My readiness to accede to the plan submitted by the Resident at Hyderabad, in his despatch of the 5th April, for reducing the rate of interest on the Nizam's public debt, will be inferred from the opinions recorded by me, when the subject of the loan to his Highness from Messrs. William Palmer and Co. was under discussion. On that occasion, I was in favour of advancing the money required from the British Treasury at a moderate rate of interest, in preference to raising a loan at Hyderabad, on terms which, though more favourable than those on which the Nizam was accustomed to borrow, were yet very high, in comparison with the rate at which the funds might have been obtained in the mode proposed. Objections, held to be conclusive by the majority of the Board, were urged against the measure, and it was of course rejected. The plan now brought forward, while it is equally advantageous to the Nizam's Government, appears to be free from the main objection made to the former one; inasmuch as no part of the funds of the East-India Company will be advanced, nor will they, according to my view of the case, be exposed to the smallest risk, by the guarantee proposed to be given on the part of the Government to the subscribers to the loan. I consider the risk to amount to nothing, because the peshcush for the Northern Circars furnishes an ample fund for the payment of the interest, and further provides the means of gradual though slow extinction of the principal of the debt. But independently of this certain resource, the same funds which were assigned for the payment of Messrs. William Palmer and Co., or such portion of them as may

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may be required for the purpose, will be available for effecting a more speedy liquidation of the new debt, should that be found expedient, without occasioning any inconvenient pressure on the Nizam's finances, which will receive substantial relief by the reduction of the interest, and with no greater exertion of influence than we are already pledged eventually to employ, to secure payment for Messrs. William Palmer and Co. Of the stability of those funds there can be no doubt, as long as the present connection subsists between the two states, and the plans of reform now in progress continue to be successfully prosecuted with the co-operation of the British Government. In such a state of things, I can perceive no necessity for territorial security; and I am perfectly ready to admit, that a compulsory arrangement of that nature, in such a case as the present, would be wholly unjustifiable.

The disinclination expressed by the Honourable the Court of Directors to the loan raised on our guarantee for the Guicowar, certainly demands advertence on the present occasion; but without presuming to call in question the wisdom of the Honourable Court's orders in that particular instance, I venture to think that they ought not to bar the adoption of the measure now proposed. I have already observed, that no greater exertion of influence will be required to obtain payment, than may be eventually required to see justice done to Messrs. Palmer and Co., and that the necessity for it, in either case, is in my belief highly improbable. Early repayment may be desirable or not, according to circumstances affecting our own Government or that of the Nizam: and if desirable, I have shewn how it may be accomplished in at least as short a period as the actual loan from Messrs. Palmer and Co., while the peshcush will always secure the punctual payment of the interest; and if we are content to wait so long, the surplus will, in a definitive time, extinguish the principal also, without requiring the actual disbursement of a rupee from the Nizam's treasury. No degree of influence that can reasonably be contemplated, will amount to a more direct interference in the Nizam's internal administration, than we are already exercising by the formation of a settlement of the land revenue of a large portion of his territories, through the agency of European officers acting under the orders of the Resident, and the systematic and minute interposition of the Resident in the other measures of reform now in progress. I am far from speaking of this with blame; on the contrary, it has my cordial approbation: and I mention it here only to observe, that while the British Resident, and European gentlemen acting under his authority, are so actively engaged in the affairs of the Nizam's Government with the free consent of the Minister, there is no room for apprehending that he will be either alarmed or disgusted at any measures likely to arise out of the proposed loan. I am perfectly alive to the inexpediency, on general grounds of policy, of such interference in the affairs of other states. The real question for consideration is, whether the particular exigency, and the amount of positive good to be effected, are sufficient to supersede the force of the general rule, and the contingent evil of departing from it. This preponderating exigency has been admitted in the case of the reform, and will, I apprehend, be found to be no less cogent, in respect to that particular branch of it which the proposed loan is designed to accomplish, admitting even the prospect of a much more active interference than I can discover.

The importance of the object to be attained needs no other argument, than the mere statement of the proposition.

It appears that the adoption of Mr. Metcalfe's plan, or some other framed on similar principles, will be followed by an immediate saving of Rupees 10,38,000,* taking the amount of the Nizam's public debt at the lowest calculation.

* Mr. Metcalfe, in his despatch of the 5th April, paragraph 8, states the sum required to pay off the present debt to be eighty or ninety, or almost a hundred lacs of rupees. Messrs. Palmer and Co. are creditors for sixty-seven lacs at eighteen per cent. (See paragraph 12 of Mr. Metcalfe's despatch of 17th March), and the difference between that sum and the total amount of the debt is probably that for which his Highness is paying interest at the rate of twenty-four per cent. Taking the debt at the lowest statement, that difference will amount to thirteen lacs.

Thus the saving will be on Palmer and Co's. debt ..... Rupees	8,04,000
On the remaining thirteen lacs	2,34,000
Rupees	10,38,000

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lation. It is needless to observe on the vast importance of this saving, or on the facilities which it will give to the measures in progress for correcting the vices of the Nizam's Government and improving the condition of his subjects. It is rendered a more considerable object than it might otherwise have been, when it is recollected how much of the advantages promised from the last loan has been lost by the improvidence of the Minister, in directing a large proportion of its amount from the objects of reformation of establishment, and permanent reduction of charge, which we were led to expect from it.* That misappropriation cannot now be corrected; but it seems incumbent on us to seek all possible means of improving those resources, which we may now hope will be better directed. I have endeavoured to shew, that neither expense nor risk will be incurred by the proposed measure, and that there is no solid objection to it on the score of interference; and I trust that these considerations, combined with the great and manifest benefits which it is calculated to confer on the Nizam and his subjects, will justify me in earnestly pressing its adoption, provided it shall not be found to interfere with our own financial arrangements.

From the inquiries that I have made on that point, I am disposed to believe that even the immediate opening of a loan for the purpose, and on the terms proposed, would not materially interfere with the measures of finance now in progress. On their completion, which we may rely on being effected at no distant period, all objection on this ground will be removed. On this part of the subject, however, as well as on the principles and details of Mr. Metcalfe's plan generally, as a measure of finance, it will be satisfactory to ascertain the sentiments of the Accountant-General; and I accordingly beg to propose, that a reference be made to that officer before any final decision is taken. Besides his opinion on the specific plan submitted by the Resident, Mr. Sherer should be invited to offer his sentiments, as to any other mode of accomplishing the same object, which he may think preferable in a financial point of view.

It will be time enough, when the main question is decided, to consider Mr. Metcalfe's proposition for eventually endeavouring to obtain a loan elsewhere, at a lower rate of interest than is paid at present. I have little doubt of the success of such an attempt, and I should certainly regard any legal and honourable mode of effecting a reduction in the rate of interest as a measure highly advantageous to the Nizam, and therefore fit to be countenanced by the British Government; but the plan actually before us seems to be, in every point of view, decidedly preferable to the proposed alternative.

One point only remains to be adverted to, namely, the suggested compensation to Messrs. William Palmer and Co. for their supposed loss in consequence of the early discharge of the debt. As a matter of right, this circumstance would give them no claim to compensation, since the terms of the engagement impose not any limitation on the period of payment, and the conceptions under which they engaged having received no confirmation from the other party, cannot be regarded as binding. Under any circumstances, therefore, I should receive such a claim with hesitation, and require to be well satisfied that loss had been incurred, and that it was ascribable solely to the act of the Nizam's Government, before I agreed to call on him to pay any thing more than the exact amount of the debt. But if I have not misunderstood the statement in the 20th paragraph of Mr. Metcalfe's dispatch, Messrs. Palmer and Co. have not merely secured themselves against any possible loss, but will realize a profit greatly exceeding what has yet been contemplated, whenever the loan is paid off. According to that statement, a bonus of eight lacs of rupees was allowed at the time of negotiating the loan; that is to say, if I understand the matter correctly, there has been added to the monies actually advanced a fictitious debt of eight lacs of rupees; so that the Nizam is paying interest at the rate of eighteen per cent. on sixty-seven lacs, while he has really borrowed only fifty-nine, and the difference will be clear gain to Messrs. Palmer and Co., over and above the regular profits of the loan, whenever the debt is paid off. The appearance of the transaction is rendered still more unpleasant, by the circumstance of its having been concealed from both the late and the present Resident, until it was very recently made known to the latter in a conversation with the Minister. So important a feature of the loan ought certainly not

* See Mr. Metcalfe's despatch of the 17th March.

not to have been suppressed, either by Messrs. Palmer and Co. or by the Minister. The latter has, indeed, been guilty of a direct deception, since in the statement made by him, as reported in Mr. Metcalfe's letter of the 17th March, the whole sum of sixty-seven lacs is accounted for, without any allusion to the bonus, the amount of which was probably lumped with the sum stated to have been applied to the payment of Messrs. Palmer and Co's. debt. If the foregoing view is correct, any notion of compensation to that house for early payment of their debt must, I conceive, be totally out of the question. It appears to me, indeed, to be essential to their character, as well as to our due understanding of the arrangement which we have sanctioned, that this transaction should be fully and satisfactorily explained; and I propose that the Resident be instructed to call for an explanation, and to submit it with his own remarks. It would also be satisfactory to receive a statement of the old debt to Messrs. William Palmer and Co., which was replaced by a portion of the late loan, as well as the rate of interest which it bore. I earnestly hope that this affair will be found capable of a satisfactory explanation; and, in that expectation, I shall refrain from any further observations at present.

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I have only to add my concurrence in the reference to the Resident, proposed by the Governor-General towards the close of his Lordship's minute.

Fort-William, 12th May 1821. (Signed) J. ADAM.

MR. FENDALL'S MINUTE.

I have perused the letters from the Resident at Hyderabad, under date the 17th of March and 5th of April last, with the greatest attention. When I approved of the loan proposed to be negotiated through the firm of William Palmer and Co., I did it under a full conviction, that its accomplishment was absolutely necessary to carry into effect the plans the Minister had in view, for a total and effectual reform of the financial embarrassments which pressed so heavily upon him; and because the terms communicated by the late Resident appeared to me to hold out the best prospect of affording the relief required, without involving this Government in any considerable responsibility. The letters from the present Resident, now under consideration, throw considerable doubt, not only upon the permanent relief expected by the adoption of this measure, but on the probability of the revenue assigned for the gradual discharge of this loan being adequate, whilst the rate of interest has not been reduced to the extent expected.

Mr. Fendall's Minute, 21 May 1821.

To redeem this loan the Resident considers a most advisable measure, and proposes opening a loan in Calcutta, for the use of the Hyderabad Government, bearing an interest of six per cent. per annum, payable half-yearly, under the guarantee of this Government; proposing also to withhold the payment of the peshcush on account of the Northern Sircars as a security for the discharge of the interest and the gradual liquidation of the principal, hinting also, that other resources may be advisable for the latter purpose.

The difficulty of advantageously employing capital in the present times is so great, that it is very probable a loan, under the guarantee above mentioned, might be effected here, the subscribers to which would, of course, look only to this Government for the regular payment of the interest, and ultimately of the principal: and, as far as they are concerned, the security is sufficient; but there does not appear to me any adequate security to this Government, to induce us to take such a responsibility upon ourselves. The reservation of the peshcush would do little more than cover the interest of the principal required, whilst our debt to the public would be increased one hundred lacs of rupees: Government must therefore look to some other security beyond the peshcush for the liquidation of the principal, and no other resource occurs to me than an assignment of territory from the Nizam's Government; a measure to which, I should conceive, the Nizam would never voluntarily consent, and which we would never think of forcing upon his Highness.

Viewing the orders of the Honourable the Court of Directors as amounting nearly to a prohibition of our interfering in the internal concerns of states in alliance

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alliance with us, and referring to their disapprobation of a former guarantee in the instance of the Guicowar loan, as also to their decided objections to any British houses of agency being concerned, directly or indirectly, in loans to states in alliance with us, I am compelled, anxiously as I feel the necessity of our affording relief to the Hyderabad Minister, to object to the plan now proposed by the Resident: a plan which, in my humble opinion, cannot be effected without the instrumentality of British houses of agency.

With respect to the proposition made by the Resident in the 27th paragraph of his letter dated the 5th of April last, the same difficulty respecting British houses of agency occurs; and I do not think that native bankers would risk their property in any loan to the Hyderabad Minister upon a low rate of interest, unless they were assured of the loan having the guarantee of this Government. At the same time, I see no objection to the Resident's submitting a plan for raising a sum of money adequate to the relief of the Minister's embarrassments, which does not involve this Government in any guarantee for the payment of the interest or principal. In considering the subject of Mr. Metcalfe's letters, a plan has struck me, which I submit with the greatest diffidence to the consideration of the Governor-General and Mr. Adam. I am induced to do so, in the hope of essentially relieving the Hyderabad Government from its present embarrassments, and without involving this Government in any future responsibility, or having recourse to the agency of any British firm or individual.

From the Resident's letter it appears, that a sum of money, to the amount of one hundred lacs of rupees, is required to liquidate the debts due by the Hyderabad Minister, and that we pay a peshcush of seven lacs of rupees for the Northern Circars. What I venture to submit is, that the Resident should propose to his Highness a total relinquishment of this tribute, upon the condition of this Government advancing immediately the hundred lacs of rupees required. It would be about fourteen years' purchase. The advance would at once relieve the Minister's embarrassments, and if his statement be correct, would leave a surplus for future reductions of unnecessary establishments, and provide for advances to the improvement of the country; or a part might go to the private purse of his Highness, as an inducement to the relinquishment of the peshcush. If the plan be practicable, the state would be relieved from the annual payment of sixteen lacs of rupees, which would come to the public treasury, and under proper management, be applicable to future improvements and increase of revenue.

How far the purchase of this tribute would be advantageous to the Honourable the Court of Directors, is a question which requires consideration; but if the cash payments into the new loan have been considerable, and there is a prospect of the greater part of the 1811 loan paper being transferred to the new loan, the surplus cash might perhaps be advantageously employed in making the purchase. I am aware, that by adopting this plan, if practicable, a large sum of money would be withdrawn from its proper channel, that of reducing our territorial debt; but it will, at the same time, bring an annual sum of seven lacs of rupees into our hands, to the relief of the Madras Government expenditure, and at once remove the most objectionable consequences of the loan proposed by the Resident, the undue interference of this Government in the internal concerns of the Hyderabad state, and the application of the capital of British subjects to its pecuniary wants.

I do not understand that the Resident has communicated the information he received from the Minister, respecting the bonus, to Messrs. William Palmer and Co. As this circumstance now stands upon the assertion of the Minister, it strikes me as a very improper concealment of a circumstance attending the late loan, which requires full explanation, and I am of opinion that the Resident should be instructed to afford Messrs. William Palmer and Co. an opportunity of explaining this transaction.

I have the honour to concur with the Governor-General in the propriety of the Resident's being called upon to furnish the explanations which his Lordship is solicitous of obtaining.

(Signed) JOHN FENDALL.

Fort-William,
21st May 1821.

GOVERNOR-GENERAL'S MINUTE.

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I lament that I do not find a solution of my difficulties in the suggestions offered by Mr. Adam and Mr. Fendall. The former endeavours to do away my objection to a guarantee, by urging that the risk for the Company would be next to nothing. I agree with Mr. Adam, that the risk would be but small; and were the question to stand on such a calculation, it might be idle to put that risk in competition with the convenience attainable by the measure. This mode, however, of arguing, entirely slides over the ground of embarrassment stated by me. Indeed, were the reasoning valid, it would not be intelligible, why we had refused not only any guarantee, but even any encouragement to the Hyderabad Shroffs associated under William Palmer and Co., and thereby forced them to require an interest regulated by the precariousness of their security. I have professed my doubt, whether the power of staking, in the way proposed, the funds of the Honourable Company, to such an amount as a crore of rupees, be legitimately within the nature of the trust confided to us. Nothing can be farther from my disposition, than to narrow the obligation under which the Governor-General stands, of taking upon himself responsibility by a deviation from fixed rules, where the avertence of some serious peril may clearly demand his adopting peculiar steps, accommodated to the emergency. He must, in such a crisis, recur to the means which, in his honest conception, are indispensable for parrying the impending evil, though they may not square with the instructions that are his regular guidance; still he must have to shew, that he could not rationally have hoped to dispel the mischief by exertions less at variance with those established precepts. I am perfectly willing to admit, in the present case, the plea of exigency, as far as it can be reasonably used. The preventing commotions likely to occur in the Hyderabad state, and in the occurrence of which our interests would be compromised, is to a certain degree a moral exigency: I nevertheless think it not an exigency of a kind capable to bear us out in a departure from a fundamental principle. Nothing but a pressure of a much more immediate and resistless nature could, to my judgment, authorize our pledging the funds of the Company, in a manner quite foreign to those destinations of them contemplated in our general instructions from the Honourable Court, or to those which arise occasionally, though something out of usual course in the ordinary transaction of affairs here. The more or the less of the hazard appears to me an inapplicable discussion, unless there be shewn a real necessity for out taking upon ourselves what would assuredly be a great stretch of our powers. No necessity of that quality is asserted, the guarantee being recommended as a mere matter of expediency. On the other hand, the absence of any considerable risk would be solely an assumption of ours, in which our computation might not be deemed sound by our employers, and might prove delusive. In fact, I have through purpose treated this point abstractedly, because Mr. Adam has not overlooked the sentiments of the Honourable Court, expressed with regard to the Guicowar loan. He thinks the advantage presumable would take the case now in view out of the rule intimated on that occasion. I regret the not being able to satisfy myself in coming to any such conclusion. The opinion of the Honourable Court respecting the Guicowar loan, went to all future instances, in which it anticipated a propensity in the local Government, to assist an ally in a similar manner. The injunction, not to repeat the measure, did not refer to the terms, did not regard any possible hazard of the Company's treasure, did not apprehend any undue gains as connected with such a negociation, but forbade a procedure, which inevitably led to the local Government's usurping the practical administration of the ally's affairs. I shall advert to that consideration presently. For the moment, it suffices to shew that there is nothing in the plan before us, which would take it out of the scope of the Honourable Court's interdict, consequently the claim on our observance of the pleasure of the Court then communicated, is a weighty obstacle, in addition to that which I hold inherent in the nature of our trust: of course, it would be impossible for me to concur in the guarantee.

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The same reasoning will not precisely apply in form to the proposition of Mr. Fendall; but the same principle must, I think, govern the two projects. There can be no doubt but that the buying up the peshcush of the Northern Circars, for a crore of rupees out of accumulated surpluses, would be contrary to the *letter* of the appropriation provisions. As a latitude must always be premised by the Legislature for junctures, where some distinct and imperious motive of advantage may require a wider construction of the rule, I endeavoured to persuade myself that there was an obvious policy in such an arrangement as Mr. Fendall proposes, which might justify us in considering the purchase of the peshcush as a diminution of debt, thereby bringing it within the *spirit* of the law. There is, however, another party concerned in the operation besides the Legislature. The money accumulated in the treasury is the Company's. We have then to deliberate, how far the Company would be benefited by the proposed application of it. In the first place, the instalments would not have replaced to the Company its advances before the expiration of the charter. The calculation of interest, in the meantime, is not worth entering into in such a discussion; but supposing the amount of the peshcush to have accumulated annually till it balanced the advance, the issue might be, that at the close of the term, the Company should find it had incurred all intermediate hazard without any benefit. The redemption of the tribute would be no advantage, if the Honourable Company happened not to retain dominion over the territory which had paid that rent charge. Beyond this, if the extinction of the peshcush be an object, there are readier means for accomplishing it than the plan proposed. In the arrangements afloat with the Nizam, many exchanges are practicable by which the peshcush might be abolished, so that we might be suspected of resorting to an artifice for colouring our desire to furnish the Nizam with this accommodation out of the Company's coffers. I forbear to notice other destinations for the sum, which perhaps might be of far greater importance to the Company. It is enough if I shew that there is not either urgency of circumstance, or attainable profit for the Company, sufficient to excuse my appealing to the *spirit* of the statute, in justification of my contravening its letter.

There then only remains what Mr. Adam still thinks feasible without a guarantee, the raising the loan at a cheap rate of interest from the monied men of Calcutta. I can have no objection whatever to the trial, if the persons invited to subscribe shall be given to understand that they are not to look to this Government for a particle of support, in the event of the Nizam's breach of faith towards them. I must not be made indirectly the cause of any Shroff subscribing his money on a fallacious security. There must be no supposition, that although Government professes not to pledge any support, it would, in the hour of need, shield the creditors from any laxity on the part of the Nizam's Government. It would be required by me, that the persons who negociated the loan should be brought to me by the Political Secretary, who should, in my presence, explain to them, that in no possible case would the interposition of this Government be exerted for them, and that the Resident would be enjoined, by an order from the Governor-General in Council (consonantly to the commands of the Honourable Court relative to the loan of Messrs. Palmer and Co.) not even to employ good offices for them with the Minister. That a loan would be procured here, after such an indispensable explanation, other than at an interest which would utterly defeat the object, seems to me a visionary hope. If Mr. Adam continue to think the arrangement practicable, I trust he will take such steps as may ascertain whether it be so or not. I repeat, that I have no objection to the attempt, but should wish it to be successful, provided I assure myself no one is taken in by a misconception of the ground on which he would have to stand.

I am the more particular on the above head, because the course which Mr. Metcalfe is pursuing might otherwise, imperceptibly, lead him to employ something more than the influence of the British Government for the security of subscribers who had advanced their money on his suggestion. The foresight of the Honourable Court is well illustrated by what has taken place. A zeal, prompted by the purest humanity, has led Mr. Metcalfe considerably beyond

beyond the line which I had proposed for our relations with the Hyderabad State. I do not mention this in censure, because I am myself so well aware of the disorganization existing in that country, and of the difficulty of applying efficient remedies, that I cannot say whether Mr. Metcalfe would have had a prospect of permanently meliorating the condition of the inhabitants, by procedures less decisive than those which he has adopted. On that account, I have not interrupted what he has undertaken. At the same time, it is obvious that Mr. Metcalfe has, in effect, taken upon himself the whole government of the country, not by working secretly on the devotion of the Minister to us, but by a direct and avowed superintendence of the territorial settlements, with all the concomitant arrangements now in process. The result will, I have no doubt, be equally beneficial to the Nizam and to his people; yet it will cause extensive irritation and dislike among the better classes. This erroneous course cannot be upheld, though after having embarked so overtly in it, I fear there will be embarrassment in our withdrawing ourselves. A system of ostentatious sway over the concerns of an ally, is so irreconcileable to the maxims reiteratedly impressed upon us by the Honourable Court, and so little accordant with my notions of justice or policy, that I must see with jealousy any thing which tends to prop its silent operation, after we shall have professedly retired from the interference. The placing the Resident at the head of a body of creditors of the Government, wholly dependant on him for protection, would be to furnish him with an instrument of oppression, the most galling and vexatious that could be entrusted to an individual. I do not know the man less likely than Mr. Metcalfe to employ such an engine perversely; yet I cannot repose it in even his hands. I thence must guard against any possible laxity of understanding in the terms of the loan which Mr. Adam recommends, and which I hope he may be able to effect, notwithstanding my unfavourable augury.

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Fort-William,
27th May 1821.

(Signed) HASTINGS.

MR. ADAM'S MINUTE.

Mr. Adam's Minute, 4 June 1821.

The sentiments of the Governor-General and of Mr. Fendall being unfavourable to the plan submitted by the Resident at Hyderabad, for raising a loan for the Nizam, under the guarantee of this Government, I should have viewed that decision of the majority of the Board with unmixed regret, had not Mr. Fendall's proposition, for purchasing from his Highness the peshcush for the Northern Circars, appeared to me to offer equal advantages, without being open to the objections which have been urged against the loan.

I did not anticipate the Governor-General's repugnance to that scheme; and with the utmost deference for his Lordship's judgment, and after the most attentive consideration of the reasoning on which he founds his dissent, I am constrained to say, that it has failed to shake my opinion in favour of the measure.

His Lordship considers the proposed advance as contrary to the provision for the appropriation of the Honourable Company's surplus territorial revenue. If I could regard it in that light, there would, of course, be no room for hesitation in deciding against the plan. But I cannot persuade myself that the fund, from which this advance is to be made, can justly be considered a territorial surplus within the meaning of the act, or that the proposed appropriation of a portion of the cash balance can be viewed as an illegal application of the public resources. It is true that we should prevent so much of the accumulated cash balance from being applied directly to the discharge of territorial debt; but this objection may be urged against any other large payment of the current revenue beyond the ordinary expenditure of the state; while it is of the essence of the present plan, that it effects the extinction of a permanent annual charge, and to that extent creates an improvement of our general resources, which will ultimately tend to augment the territorial surplus. The legal objection does not, therefore, appear to me to be well founded; but if the decision is to turn on that point, it will be satisfactory to have a distinct exposition of the law from the Advocate-General.

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The Governor-General has also remarked, that the instalments on account of the peshcush would not replace to the Company the amount of its advances before the expiration of the Charter; and that even if the advances were to be balanced by that time, the redemption of the tribute would be no advantage, if the Honourable Company happened not to retain dominion over the territory which had paid the rent charge. It is obvious, however, that in the case last supposed, no pecuniary loss would be incurred, while a political benefit of considerable magnitude would have been attained. But even if the charter were to expire before the redemption were effected, and not to be renewed, it cannot be doubted that the adjustment which, in that case, must take place, will comprehend a fair consideration of the transaction, and that the justice and wisdom of Parliament will protect the Company from loss on this account. With this reliance, and with the chances in favour of the renewal of the charter, I do not conceive that any thing will be hazarded by the Company in concluding the proposed arrangement. I accordingly beg to express my concurrence in Mr. Fendall's proposition, and to recommend that the Resident at Hyderabad be instructed to open a negociation with the Nizam's Government, in order to obtain its assent to that plan. The exact amount which may be deemed to be a fair price for the relinquishment of the tribute can easily be calculated, and the periods of payment, and other particulars of that nature, will be settled, according to the concurrence of the two Governments.

The only remaining topic to which I wish to advert, is a misapprehension which is entertained by the Governor-General, as to the purport of a passage in my former minute. It was far from my intention to suggest that this Government should attempt to open a loan from the monied men of Calcutta for the benefit of the Nizam, without a guarantee. The passage in question had a reference to the proposition of the Resident, submitted in the twenty-seventh paragraph of his despatch of the 5th April, that in the event of his first proposition being rejected, "he might be permitted to exert himself to obtain money at a lower "rate of interest than that which is at present paid." If neither the plan of a loan by the British Government, as suggested by Mr. Metcalfe, nor the scheme for the purchase of the peshcush, proposed by Mr. Fendall, be adopted, I can see no objection to allowing to the Resident the latitude he desires. I presume that the subscribers to a loan raised by the British Resident would look to the exertion of his influence, to secure the performance by the Nizam of the conditions on which they advanced their money; and to that I have no objection, as the Government would be no further pledged than it actually is to the present creditors, Messrs. William Palmer and Co.

Fort-William,
4th June 1821.

(Signed) J. ADAM.

MR. FENDALL'S MINUTE.

Mr. Fendall's Minute, 7 June 1821.

I have had the honour to peruse the further minutes of the Governor-General and Mr. Adam upon the subject of the Hyderabad loan, and regret extremely that the proposition of purchasing the peshcush has not been honoured with his Lordship's approbation. At the time I made the proposition, I was aware that the strict construction of the provisions for the appropriation of the surplus territorial revenue might operate against the plan; but the emergency of the case appeared to me to warrant a deviation from the strict letter of those provisions. I thought that, in making the purchase, it could only be considered as an advance of cash for an equivalent advantage to the Honourable Company, whilst it at the same time gave immediate relief to the deranged state of his Highness the Nizam's finances, by at once discharging debts bearing an excessive high rate of interest, the discharge of which from the assigned sources appeared very doubtful, and by placing at the disposal of the Minister the means of more effectually providing for the future prosperity of the state. It appeared to me, also, that the orders of the Honourable the Court of Directors, respecting the interference of British houses of agency in the pecuniary concerns of states in alliance with us, would, as far as relates to Hyderabad at least, be best carried into effect, by the adoption of the plan I had the honour to propose. These sentiments remain unaltered.

With

With respect to the advance not being liquidated before the expiration of the charter, I beg leave to remark, that the limited period extends to 1834; and that, exclusive of interest, the peshcush of seven lacs of rupees per annum will nearly repay the principal to be advanced. Should a renewal of the charter take place, the advantage, to the extent of the time limited by such renewal, will remain with the Honourable Company: and if the charter be not renewed, I think a fair compensation would be made for the outlay in redeeming the peshcush.

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Mr. Fendall's Minute, 7 June 1821.

With the greatest respect and deference for the Governor-General's judgment, I am compelled, in this instance, to adhere to my former opinion, as to the propriety of an attempt being made to effect the purchase of the tribute now paid to the Nizam for the Northern Circars, and to concur with Mr. Adam in thinking, that instructions should be sent to the Resident at Hyderabad, to open a negociation with his Highness's Government, in order to obtain its assent to the plan.

Fort-William, 7th June 1821. (Signed) JOHN FENDALL.

MR. ADAM'S MINUTE.

Mr. Adam's Minute, 13 June 1821.

The Governor-General having done me the honour to advert to the wish expressed in my minute of the 4th of June for a reference to the Advocate-General, I think it necessary to state the precise object to which, in my judgment, that reference ought to be directed. The question to be put to the Advocate-General appears to me to be simply this: whether the measure proposed by Mr. Fendall is, or is not, at variance with the legislative enactments for the appropriation of Indian surplus revenue? With Mr. Fendall's plan, and those parts of the other minutes which bear on the question before him, the nature of the scheme itself, and the doubts which have arisen, will be sufficiently manifest; and I do not apprehend that Mr. Spankie will feel any difficulty in giving an opinion on the plain legal question at issue, without touching any of those considerations of policy and expediency, which must enter into the deliberations of Government.

Fort William, 13th June 1821. (Signed) JOHN ADAM.

MR. FENDALL'S MINUTE.

Mr. Fendall's Minute, 15 June 1821.

I have perused the draft of the letter to the Advocate-General, which the Governor-General has done us the honour of submitting to us, as also the note from Mr. Adam thereon.

Although the question, "whether the measure I had the honour to propose "is, or is not, at variance with the legislative enactments for the appropriation "of the Indian surplus revenue," gave rise to the propriety of applying to the Advocate-General, yet other questions have arisen, which appear to me to require the whole of the circumstances being brought to the knowledge of the Advocate-General, in order that he may be enabled to take a correct view of the case, and form a legal opinion thereon.

The draft of the letter which the Governor-General has been pleased to submit appears to me to embrace the requisite information, and I have therefore the honour to express my concurrence in its being submitted to the Advocate-General.

Fort-William, 15th June 1821. (Signed) JOHN FENDALL.

To R. Spankie, Esq., Advocate-General.

Letter from Secretary to Government.

Sir:

1. By the accompanying documents, the Governor-General will appear to have recorded in Council, his persuasion that certain procedures, recommended by other Members of the Board, would not be reconcilable to the legislative enactments for the appropriation of Indian surplus revenue. The Governor-

Bengal Political Consultations, 13 Sept. 1822.

Letter from Secretary to Government.

General in Council, in consequence of the wish expressed in Mr. Adam's minute of the 4th June, is desirous to have your professional opinion, how far his Lordship's conceptions on that head are accurate.

2. The question is avowedly put to you in an indistinct form, with a reliance that you will obligingly overlook that objection. The case is so wide, and embraces so many different political considerations, that it has been deemed impossible to submit to you an abstract, or even a condensed statement. The vagueness of the shape may, however, be compensated for, by shewing what is extraneous matter in the discussion; whereby the subject may be so narrowed, as to embarrass you the less in your answer. The Governor-General is perfectly sensible where your difficulty must lie. The Legislature, in prescribing the application of territorial surplus to the reduction of territorial debt, seems to have studiously used such language as should not peremptorily exclude a departure from the injunction, where some unforeseen and peculiar expedience might require it; but contemplating a latitude of that nature as in possible instances licet, his Lordship in Council isdisposed to believe that such a construction can be admissible only where the expedience is visibly free from doubt in itself, and is not repugnant to foregone instructions of the Honourable Court of Directors on some analogous occasion. The validity of the motive is to justify the deviation. Were you solicited to furnish your opinion as to that validity on any given point, you would justly say, the appeal to you was not correct, therefore a precise explanation is necessary, to prevent any misconception of terms.

3. The Governor-General in Council is aware that he could not strictly, or in any fairness, expect an answer from you, on a subject involving so many collateral interests, as that to which the voluminous papers now laid before you relate. Of course, he does not, in the remotest degree, mean to impose upon you the decision, whether the expedience urged in some of the minutes be of the quality which should reasonably exempt the case from the shackles of the appropriation enactment, since it would, in fact, be requiring you to pronounce on a complicated question of justice, and advantage, over which the Supreme Council can alone legitimately exercise a judgment. The point for your decision will be little more than merely whether the Governor-General has supposed the existence of difficulties which have really no existence. Still the course which the discussion has taken, and the sentiments professed, that the legal obstacles advanced by the Governor-General are not applicable to the features of the transaction, render it advisable for you to see the affair in its whole context.

4. You will perceive that stress is laid on there being an accumulation of cash balance, to an extent beyond what any calculable demands of the state can need for current service. This circumstance is apprehended by the Governor-General to have been erroneously made an ingredient in the question. Putting aside the possibility that the extensive financial operation now in progress might happen to require the sudden issue of three or four millions sterling from the treasury, his Lordship in Council imagines there is a mistake in regarding the accumulation as a sum at liberty. He conceives it to be under lien (unless a positive exigency should occur) whether it be contemplated with reference to the general principle, or to the special facts attendant on the case. The unprecedented character exhibited for the last two years by the money market of Calcutta, has led to the measure of temporarily stopping the operation of the sinking fund, lest the general difficulty experienced as to investing money should be injuriously increased by an ill-timed diminution of public securities. It has been conceived by the Governor-General, that this does not, in principle, release the surplus from that claim which the appropriation enactment attached to it. The effect of the enactment is only suspended, not annulled; and the accumulation thus formed during the administration of the present Governor-General, may be viewed as more particularly allotted to the payment of the debts contracted within the same period, if such debts are to be liquidated apart from the principal. If the most eligible disposal of the money is to be weighed, the instructions of the Honourable Court cannot but be deemed as having been virtually invited on that head; because, when the

Governor-

Governor-General earnestly submitted to the authorities at home his respectful representation of the impolicy of endeavouring to wipe away the territorial debt, a destination for the sums accumulated in their treasuries (the amount of which was pointed out) must be conceived to have presented itself to the Honourable Court: Either way, the decision of the Court will look to the sum. A determination to persevere in the old system, implies an order for devoting the funds to the discharge of bonds; while the adoption of the Governor-General's views would, as inevitably, be accompanied by some instruction for the application of the means in hand. On this ground, the Governor-General holds the magnitude of the cash balance as not affecting the essential nature of the case.

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5. The above consideration had in the reasoning been so blended with the question, as to require some detail in proof of its not really furnishing any sound conclusion. There is another misapprehension, also, from which his Lordship in Council thinks it right to free the discussion. It is assumed, that were a loan to be raised for the Nizam in Calcutta, the personal influence of the Resident at Hyderabad might be plighted to the subscribers for the security of their interest, although the guarantee of Government could not be granted. On this your opinion is not solicited, the Governor-General being clear that the promise of such an intervention would not be allowable. The Honourable Court has, in direct terms, forbidden even good offices to be exerted towards protecting the Shroffs of Hyderabad, associated under the firm of William Palmer and Co., against any breach of faith on the part of the Nizam's Government; and the Governor-General would feel that he admitted an indecent supposition, did he understand those orders as leaving open to the monied men of Calcutta an advantage, which the Honourable Court would not suffer to be bestowed in the other case.

6. When the subject is thus simplified, the points for your opinion come within a more definite description, though not so perfectly precise as befits an official reference.

The questions appear to be these.—

First. The point on which Mr. Adam desires information, *viz.* Whether the united cash balance of the three Presidencies be the surplus contemplated by the Legislature.

Second. Should the foregoing be answered in the negative, what is the surplus, the appropriation of which is regulated by Parliament?

Third. Would the purchase of the annual peshcush for the Northern Circars be an appropriation of surplus within the meaning of the enactment? In treating which question, you will please to lay out of view the observations of the Governor-General, on the more ready mode of extinguishing that peshcush, offered by the arrangements now pending for bestowing on the Nizam certain territories conquered in the late war.

Fourth. Whether the doubts of the Governor-General have been inappositely entertained? and on that point you may be able to state your opinion, without indirectly determining as to the wisdom of that system of policy towards Native States, on which some of the past Resolutions have been founded.

I have, &c.

Council-Chamber,
16th June 1821.

(Signed) Geo. Swinton,
Secretary to the Government.

To Geo. Swinton, Esq., Secretary to the Government, Political Department.

Sir:

Letter from the Advocate-General.

1. I have the honour to acknowledge the receipt of your letter, dated the 16th June,* with the accompanying papers, and submitting certain legal questions on points connected with the discussions referred to; and, in reply, I beg leave to submit the following opinion, for the information of his Excellency the Most Noble the Governor-General in Council.

2. The

* (Received 12th August.)

Bengal Political Consultations, 13 Sept. 1822.

Letter from the Advocate-General.

2. The Governor-General in Council has justly appretiated the difficulty of giving upon this case a professional opinion, which shall, at the same time, have reference to the points discussed in Council, and exclude the topics urged, and the facts stated, from any influence upon the legal conclusion adopted.

3. The appropriation clause, sect. 55 of 53d George III. cap. 155, (following pretty nearly the words of former Acts) prescribes the order in which the clear territorial revenues shall be applied. The fourth head, which supposes a surplus after all charges and preferable services, is the liquidation of the territorial debt, &c.

4. Any question, therefore, of the application of such surplus in liquidation of the territorial debt, presumes that all prior and preferable services, as well as charges, have been defrayed.

5. It appears to me, that the legality of the application of a cash balance, o surplus, to any particular purpose, must depend upon the fact, whether the proposed object can be fairly included in any of the prior heads of service, or under any just description of charge. If it is not, it seems to follow, that the application of any surplus revenue to such a purpose would be contrary to the provision of the statute, and could only be justified by state necessity; if, indeed, that ground of application must not be taken to supersede every other, and to be an implied exception in the Act. Any practical opinion upon an enactment so general as this, must be founded upon specific cases that may be proposed.

6. In the present case, the principal difficulty is, that the facts out of which the question of law must arise are not distinctly agreed or admitted. It is not even ascertained as a fact, that there is, within the meaning of the Act of Parliament, a surplus after providing for all prior and preferable services.

7. In the view in which the subject appears to me, it is not very important whether there be a surplus or not; because if any proposed application of public money were legal and justifiable if there were no surplus, it would be equally legal and justifiable if there were: and I should be inclined to state the proposition to this extent; that no application of surplus would be legal, if it would not have been legal, although there had been no surplus. I conceive the appropriation clause excludes every voluntary application of the fund, to purposes founded on mere general expediency, as distinguished from state necessity. I can conceive no case in which the application of surplus would be lawful, if it were taken as a fact, that all prior services, in the latitude in which they were intended to be construed, were defrayed and satisfied.

8. With respect to the first question, "Whether the united cash balance of "the three Presidencies be the surplus contemplated by the Legislature," I am of opinion, that the territorial revenues of India generally, are applicable to the support of all the Company's establishments and settlements, military and civil, in the "*East Indies*;" and that, consequently, there is no cash balance applicable to the liquidation of territorial debt, till the expenses of all the Presidencies, and every part of the prior and preferable heads of service, are defrayed. It is one concern, one interest, the whole of which was viewed together by the Legislature in the consideration of revenue expenditure and surplus.*

9. With respect to the proposed measure of purchasing the peshcush, if the principles I have stated be correct, it must stand upon its own merits as a proper application of public money, and is not at all affected by the appropriation clause: and that if it would be indefensible if there were no surplus, it would in such view be an illegal application directly contrary to the *appropriation* clause, if there were a surplus: that is to say, the Act of Parliament excludes all *new* and *voluntary* applications of surplus, contrary to the course prescribed.

10. I apprehend, too, that the measure of purchasing the peshcush must be considered on its own merits, without reference to the service to which the purchase

* See sections 55 to 59, particularly the last.

purchase money is to be applied. The end could not legalize the means, if illegal and unjustifiable, though possibly the object might of itself warrant the adoption of other means for its attainment.

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Letter from Advocate-General.

11. Whether this purchase would be advisable in itself, to relieve the territorial revenue from an incumbrance, and therefore as an improvement of the revenue, may be matter of dispute or of doubt. If not justifiable on some such ground as this, I conceive it would not be legal, if a surplus, applicable to the liquidation of debt, were diverted and employed for this purpose.

12. The doubts entertained by the Governor-General, as to the legality of the appropriation of any disposable territorial revenue or surplus, appears by no means inapposite, in the view of the facts which I apprehend his Lordship must have taken. The principal object of the measures suggested, has been the relief of the Nizam's Government. Difficulties have occurred in *directly* applying that relief from the resources of this Government without plainly violating the law, or infringing settled and prescribed rules of policy. The particular measure of purchasing the peshcush has been proposed, to obviate these and other objections; but it seems recommended chiefly as furnishing the means of affording the desired relief to the Nizam: and taking the measure with reference to the end as its defence, I should feel the weight of the legal objections insuperable. The measure, however, as I have stated, if justifiable at all, must be justified as fit to be adopted independently of any question of surplus; and, indeed, would be indefensible as the application of surplus, if not defensible on its own merits.

13. Upon the whole, I feel the impossibility of giving any useful practical opinion upon this case, or of laying down any general principles of easy application. The abstract rule of law is clear; but when a specific case arises the difficulty is to determine, whether the object proposed be fairly to be considered anterior and preferable to the liquidation of debt, as such a case can hardly arise without involving contradictory facts, and conflicting views of policy.

I have, &c.

Fort-William,
15th August 1821.

(Signed) R. SPANKIE,
Advocate-General.

The Governor-General further observes, that his private letter to the late Resident at Hyderabad, of the 26th October 1819, on the subject of the reform of the Nizam's dominions, is reported by the Secretary to have been omitted to be recorded with the official despatch from Mr. Russell of the 24th November of that year. As copies of both these documents were transmitted by his Lordship to the Chairman of the Honourable Court, in his letter of the 21st December 1819, and have been referred to in the Honourable the Secret Committee's despatch of the 22d June 1820, no inconvenience can have been experienced from the accidental omission of the former document; but as it was intended that it should form an official record of Government, it is now ordered to be placed on the proceedings.*

(Enclosure No. 1, in Bengal Political Letter of 20th December 1822.)

To G. Swinton, Esq., Secretary to Government, Fort-William.

Sir:

Letter from Resident at Hyderabad.

1. I propose, in the present despatch, to describe at greater length than heretofore, for the cognizance of the Most Noble the Governor-General in Council, the conceptions with which I have apprehended, and the mode in which I have endeavoured to execute his Lordship's instructions for the interposition of our advice and influence, with a view to the benefit of the Nizam and his subjects.

2. I suppose our interference in his Highness's affairs to be not merely a right, but also a duty, arising out of our supremacy in India, which imposes upon us the obligation of maintaining the tranquillity of all countries connected with us; and, consequently, of protecting the people from oppression, as no less necessary than the guaranteeing of their rulers against revolution.

3. The

* For the Letter here referred to see pages 87 to 90.

Enclosures in Bengal Political Letter, 20 Dec. 1822.

Letter from Resident at Hyderabad.

3. The only refuge of a people intolerably vexed, is in emigration or insurrection; and as we secure the Nizam's Government against rebellion, it seems to be incumbent on us to save his subjects from grievous oppression.

4. If the Nizam ruled his subjects with equity and prudence, our interposition between them, I presume, would be neither necessary, nor expedient, nor just. In like manner, we should be excluded from interference by propriety, policy, and inclination, if his Minister ruled for him in a wise and becoming manner.

5. Interference in the internal concerns of states under our protection is neither desirable nor generous, when it can be avoided: and should only then be resorted to, when it is clearly necessary for the preservation of the people from the misery and destruction which must ever attend oppression and misrule.

6. On the other hand, if interposition be a duty, when clearly necessary for the relief of the people, it would seem to be so in a more than ordinary degree, when a country is governed by a Minister supported by our influence, and absolute in his power.

7. In every case where we support the ruling power, but more especially in such a case as that last described, we become responsible, in great measure, for the acts of the Government, and if they are hurtful to the people, we aid in inflicting the injury.

8. Such were the notions with which I came to Hyderabad; such were the conceptions which I entertained of the views of the Governor-General in Council, in authorizing the Resident to interpose his advice and influence for the better management of the Nizam's affairs.

9. After I had taken charge of the Residency, I found that the very peculiar circumstances of the Nizam's Government increased, if possible, the claim which the people had on us for protection, and even called on us to interfere for the sake of the sovereign himself. The Prince had entirely withdrawn from public affairs, under the influence of either indolence or disgust. The nominal Chief Minister had no power in the state; but his official deputy ruled with a sway so absolute and exclusive, that it might justly be called an usurpation, were it not that there is no visible effort on the part of the sovereign to throw it off.

10. Inasmuch as it was uncertain whether the Nizam's virtual abdication might not, in part, proceed from our known support of the actual Minister, the situation of the Prince seemed to constitute an additional claim to our care, lest the welfare of his dominions should suffer from the misrule of the servant sustained by our power.

11. All accounts concurred in describing the state of the country as suffering greatly from oppression, and rapidly deterioriating in every way; the revenues diminishing, and extortion, the cause of the evil, raging with unbounded sway; justice unthought of, except through the aid of British interference.

12. Several measures, with a view to reform, had been adopted by my predecessor. Complaints were attended to at the Residency; and the officers commanding the several stations of Nizam's troops were authorized to receive them also, and to interfere with the local authorities for their redress. Courts of justice were instituted at Hyderabad and Aurungabad, and Governors of districts had, in some instances, been nominated at the Resident's recommendation.

13. In some of the measures adopted, it appeared to me that interference had gone beyond the bounds of necessity. Our participation in judicial proceedings seemed, from misconception of the Resident's intentions, to be too direct in practice, without being efficacious as to its object; and the recommendation of native governors of districts appeared to me to be objectionable in principle, and likely to be more injurious, on the whole, than beneficial. In both these matters, therefore, I have withdrawn all interference.

14. Notwithstanding the measures adopted by my predecessor, the great root of evil remained untouched. Extortion was the Minister's chief vice, and

and extortion remained uncontrolled. The cultivators, the chief source of the state revenue, and the victims of unprincipled exaction, remained unprotected.

15. A Native Government is little else than a great landlord, and if its tenants and cultivators be not cherished, the estate must soon be ruined. The Minister had deceived Mr. Russell by promises on this point, but the power remained in his own hands without check, and he had continued to abuse it without remorse. The revenues had greatly fallen from excess of exaction; the population, in considerable numbers, had emigrated; no confidence existed. The very resources of extortion were nearly exhausted; but the Minister still persisted in his ruinous course.

16. The evil had not escaped my predecessor's notice, and he had pressed the Minister to relinquish the system of levying the revenue through contractors, and to substitute the employment of Government collectors. The Minister had ostensibly yielded to this advice, but had nullified his acquiescence by making the collectors responsible for a fixed sum, which, in fact, was converting them into contractors. Even if the Minister had been faithful to his promise towards Mr. Russell, there would still have been wanting a check over the collectors, to limit their exactions from the village communities and cultivators; and without some check for the protection of these, little good could be expected from any change of system.

17. The very first step towards any real and useful reform, seemed to be to define the demands of the Government on the cultivators; and to this object, as the most essential of all, my views were directed.

18. I obtained a very ready assent, on the part of the Minister, to the propositions which I made to him on this subject; and it was determined that settlements of the revenue, for a term of years, should be made throughout the Nizam's dominions with each village separately, where such a mode of settlement might not interfere with pre-existing rights.

19. In some districts, the settlements were to be made by English gentlemen, vested with authority for that purpose. In the rest, the Minister promised to make the settlements himself, on the principle adopted.

20. The mode of village settlements was chosen, as being conformable to the practice of the best Native Governments, and familiar to all, and as furnishing the means of checking extortion, which could not be obtained in any other way. Without knowing what was fixed as revenue, there was no knowing when extortion was or was not committed. A settlement with district officers would have left as undefined as before the revenue to be taken from villages, and no check on exaction would have existed; whereas, after village settlements, if more be taken from any village than the sum inserted in the lease, extortion is at once ascertained. The petty exactions of village officers may possibly remain concealed, but they must be detected if any of the community complain, as the field of inquiry is compact.

21. It was also in favour of a village settlement, that next to a ryotwaree assessment, it presented the best prospect of realizing the greatest amount of revenue for the Government: and there was this advantage over a ryotwaree settlement, that the latter was too complicated, too much in detail, and would have occupied too much time for our interference to have been available, and could not have been trusted to the native officers of Government, without the certainty of extortion from every individual cultivator.

22. The settlement, in those parts where English gentlemen were nominated to superintend it, proceeded according to the plan agreed on. The Minister, however, did not perform faithfully the part which he had assigned to himself: he either made general settlements for districts, turning the Talookdar, or district ruler, into a farmer, or if he pretended to make a village settlement, it was delusive, and meant to be null. His object was to leave the door open for indefinite extortion; mine was to close it.

23. It was evident in the progress of the settlement, that the mere entering into engagements would not suffice, unless care were taken that they should not

Enclosures in Bengal Political Letter, 20 Dec. 1822.

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Letter from Resident at Hyderabad.

not be violated. The inclination to extort the last farthing that could be squeezed out of the people was so manifest on the part of the Minister and his dependants, and seemed so incorrigible, that no hope could be entertained of the permanency of any arrangements, unless means were devised to obtain information of their violation.

24. This led to the nomination of officers charged with the general duty of receiving the complaints of cultivators or others oppressed by the Government, and obtaining redress for them, either by application to local Authorities, or by representation to the Resident, and through him to the Nizam's Government.

25. Circumstances have since proved the necessity of this arrangement; for numerous instances of exaction, beyond the amount fixed by the leases, have been detected. The Minister also evinces a systematic disregard for engagements, especially such as are entered into with the cultivators; so that without this check on his subordinates, there could be no hope of the settlements being maintained. I am, indeed, convinced, that our interposition, for the essential purpose of limiting the demands of the Government on the people, and giving confidence to the latter, would have been utterly fruitless, without this indispensable measure of precaution.

26. The officers employed for the purpose abovementioned were also authorized and directed to give their attention to the suppression of depredations, robberies, and such crimes as affect the safety of the community.

27. Their power, however, was limited to advice, remonstrance, and representation; except in the case of seizure of banditti or other criminals, where injury to the community might result from delay in their apprehension, in which case these officers were empowered to seize, for the purpose of delivery to the local Authorities.

28. These measures have, beyond a doubt, already produced much good. I expect that this will become more and more manifest, as we proceed in the same course. I may venture to say, that the time and circumstances considered, the effect has surpassed my anticipations. It would have been more complete, had it not been counteracted by the opposite spirit of the Minister's separate proceedings and those of his dependants; but this counteraction, though much to be lamented, does not excite surprise. It is, indeed, a strong proof of the necessity of our interposition; for if the Minister and his dependants could cordially abandon their cruelty, and treat the Nizam's subjects as fellow-creatures, there would be no occasion for our interference.

29. Much good remains undone from another cause. Many a desirable reform have I left unattempted, many a favourite proposition have I dropped, because my chief object has been to confine our interference within the bounds of necessity, rather than to seek all the good attainable under a just and humane government. I have never urged any thing that did not appear to me to be indispensable; and of those who bring complaints to me and the gentlemen who assist me, many go away disappointed and repining, without an effort on our part to right them, because their cases do not come within the line which I have drawn for the limit of our interference.

30. At present, therefore, the state of our relations with the Nizam's Government on this subject is as follows. We interpose avowedly for the protection of the people from extortion and depredation, and for the security of the Nizam's revenue against destruction. We adopt the least degree of interference that can be of any avail for these purposes; and we leave other reforms, however desirable, to work their own way hereafter, or to be adopted when the Nizam's Government may be convinced of their propriety. We are not precluded from offering our advice on any measure that recommends itself; but we do not urge it, unless it be necessary for the important objects abovementioned. We leave untouched the forms and the course of the native administration, and can withdraw at any time without discomposing its machinery, when we have any assurance that the engagements entered into by the Government will be maintained, and the people be protected from oppression and undue extortion.

31. Of

31. Of the beneficial effects of our interference on the mass of the people, there cannot be any doubt. Where the village settlement has been introduced, they enjoy a security and a prospect of improvement unknown to them before. I hear continually of the emigration, or more properly perhaps, the return of cultivators from the neighbouring countries, including those under the Presidencies of Madras and Bombay. Grain, which, before these measures operated, was exceedingly dear, has fallen greatly in price. This may be owing to many causes, and does not seem in these days to be acknowledged as any symptom of prosperity. It is, however, a great blessing to poor people, though not advantageous for the revenue. At the same time, the price of agricultural cattle and agricultural labour has risen, which can hardly be ascribed to any other cause than an increasing demand. These effects were not discernible till after our interference had operated; and, in parts of the country where it has not yet reached, the same confusion that before prevailed continues to exist.

32. Any interference whatever in the affairs of a foreign Government being, in my opinion, objectionable, if it can be avoided, I have often considered anxiously what course could be pursued, other than that which has been adopted.

33. The following are the several plans which occur to me, but all of them seem to be replete with objections. Either we might continue to support Chundoo Loll as Minister, and endeavour to act on him by general advice, without employing any more effectual means to check extortion and oppression; or we might select a better man for the ministerial office, and support him in a similar way; or we might leave the Nizam unbiassed in the choice of his Minister, and abstain from any interference whatever in his affairs, beyond general exhortations.

34. The first of these plans appears to me to be the worst, because it is proved, entirely to my own conviction, that Chundoo Loll, unchecked and uncontrolled, cannot be other than a reckless and unprincipled extortioner. On this plan, therefore, in addition to consigning the people to the oppressions which they would suffer, we should be in a manner the promoters of those oppressions by supporting their author.

35. The second scheme would be of very doubtful issue. I do not know what man could be selected as a fit Minister. On whomever the choice might fall, he might be as unprincipled and oppressive as Chundoo Loll, without his talent and experience, and without his subserviency to our Government. Further, there appear to be objections in the present state of our relations with the Nizam's Government, to our exercising any influence in the choice or support of a Minister, of which I shall hereafter endeavour to state my apprehension.

36. Of the three schemes here suggested, the third, that of leaving the Government and the nomination of Ministers exclusively in the hands of the Nizam, uncontrolled and unbiassed, without interposition of any kind on our part, appears to me to be decidedly the best, because it is free from the objections which appertain to the other two: but, nevertheless, its effects on the happiness of the people would be quite uncertain. I am not sure that the Nizam, if left to himself, would dismiss Chundoo Loll. The ability of the latter might uphold him in all his present power; in which case, extortion and ruin would rage as before. Of an opposite arrangement, the effect would be entirely doubtful. The successor might be as bad; and from inability or inexpedience, the general result of his administration might be worse. Nor could any great good be reasonably expected from the Nizam's taking an active part, in his own person, in the management of his affairs, beyond the satisfaction attendant on his holding and exercising his own rights.

37. In addition to the innate objections appertaining to each of these schemes, must be considered those which would now attach to the abandonment of the course at present actually followed. The reaction which would take place, if our protection were withdrawn from the people, would be desolating in an extreme degree. The state of the country would be worse than before. Vindictive and rancorous feelings, on the part of those whose extor-

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Letter from Resident at Hyderabad.

tions had been checked, would add fresh stimulants to the ordinary motives of exaction; and wretched, indeed, would be the lot of the miserable people, thus thrown back into the devouring fire, from which they had been so recently rescued.

38. How far the Most Noble the Governor-General in Council may deem it incumbent on the British Government to support and maintain the stability of the measures which have been adopted, it is not for me to presume to anticipate. Whatever is done by the representative of the British Government, or by European officers under his orders, is regarded by the natives as emanating from the Honourable Company. The personal character of all who have been engaged in the work of reform in this country, would undoubtedly suffer, from the sacrifice of those whose protection we have taken in hand. No pledge, however, has ever been given on the part of the British Government, nor has its name been once mentioned in any of our transactions, which have been entirely on the part of the Nizam: nevertheless, blessings on the Honourable Company and its Government at present resound in this country, for the acknowledged benefits ascribed to their influence.

39. I have always supposed that I was acting with the approbation of the Governor-General in Council, and in pursuance of his Lordship's views and intentions, and with any other impression on my mind, I could not have undertaken what I have; but under this conviction, I have worked with cheerfulness and confidence, inspired with the hope of being instrumental in rendering useful service to the Nizam's country and the general cause of humanity.

40. That much good has been effected by our interposition, I may venture to repeat as an indisputable proposition. That more will naturally ensue, I am fully confident; and I am no less sure, that injury, as great or greater, would result from our withdrawing from these measures.

41. The only doubt which, it seems to me, we have to combat, is that which attaches to any interference whatever in the affairs of a foreign country. That doubt I might consider as set at rest, by the authority conveyed to the Resident by the orders of the Governor-General in Council. Moreover, our interference at this court is not of recent date, but, in one shape or another, of long standing; and if it be right to interfere in behalf of our own interests, by imposing a Minister on the country, it cannot surely be wrong to interpose for the interests of the people, with a view to their protection against his rapacity.

42. Were I to attempt to define briefly the nature of our present interference, I should describe it as a healing of the wounds inflicted by misrule, and a nursing of the country for the benefit of the people and the sovereign, under a temporary necessity caused by the peculiar characters and dispositions of the Prince and the ruling Minister, and by the peculiar predicament of the latter relatively to his own sovereign and our Government.

43. If the course which I have pursued be honoured with the approbation of his Excellency the Governor-General in Council, I hope that I may have the satisfaction of knowing what would, in every way, be so gratifying to me. It would not only enable me to proceed with confidence, but it is, in some degree, necessary for the efficacy of the measures which have been adopted. I have reason to presume that they are approved; because, as in every essential point, my intentions were reported before they were executed, if they had been condemned, they would not have been sanctioned: but I have not been honoured of late with any express declaration of approval, and reports of a contrary tenour have been circulated with some design, and conveyed, I have cause to believe, to the ruling Minister. It is obvious that the Minister, though he has assented, with more readiness than could have been expected, to measures conceived for the purpose of checking his own extortion, can never be supposed to like such a check. He has agreed to every thing that I have urged as essential; not because he has spontaneously admired it, for if such had been his sentiment, our interposition would not have been necessary, but because he has supposed me to be in possession of the confidence and support of my own Government, and to be acting under its instructions. His conduct would be different, if he were taught to believe that my proceedings were not approved by the Governor-General

General in Council; and I should necessarily be embarrassed, if I could not give a distinct denial to rumours of that nature.

44. I have been led, I fear, in this despatch, into much repetition of what has been already stated in former reports; but this I have found unavoidable, in attempting to bring the whole subject into one view: I trust, therefore, that it will be excused.

45. There is an important question connected with the management of our affairs at this court, which, as it is not irrelative to the subject of this despatch, I am induced to submit, in this place, for consideration. That is, how far it may be the duty of the Resident to interpose the influence of the British Government, in support of any Minister for the time being, or in the election of any successor?

46. The question apparently resolves itself into two parts: one, as regarding the general policy of such interposition; and the other, as referring to the particular case of the present Minister, Rajah Chundoo Loll.

47. With respect to Chundoo Loll, his case, again, must be viewed in two distinct points. As to his internal rule, I can never speak of it without reprobation: but, as a Minister attached to our interests, he has established strong claims by his past conduct, in times of critical importance.

48. The policy, generally, of exerting our influence, either for the election of a Minister, or for the support of any Minister, actually in power, seems to be better suited to other times and circumstances than to those which at present exist.

49. When we were struggling with rival powers for safety or supremacy, it was natural that we should endeavour to strengthen ourselves at each court, by connections with individuals of influence. We gave them our support in return for theirs. There was a mutual bond and obligation, conducive to the advantage of both parties. From supporting a Minister actually in place, it was a natural progress in the same policy, as our power increased, to aim at influencing the nomination of one in our interests, on the occurrence of a vacancy by dismissal or demise, and one so nominated might be expected to become our steady friend and adherent.

50. Such a policy may have been wise and necessary in times of political contentions: it may also have been right and inoffensive, when the several Princes of India were masters over their own Ministers, and strong enough to chuse their own line of policy, or when Ministers ruled by their own weight and influence in the state. It must, it may be said, at all times have had some inconvenience; for it necessarily made those parties our enemies, who were the rivals or enemies of those connected with us: but this evil was probably counterbalanced, by the advantage of having a powerful party in our favour. At this court we had, at different times, the French influence, that of Hyder and Tippoo in succession, or that of the Mahrattas, to combat, exclusive of the general dislike to European commotion, which was common to all courts.

51. But since, by the decisive events of the last few years, our supremacy has been completely established, and all rivalry and hostile combination are abolished, that which, under a different state of things, may have been good policy, may perhaps, on reconsideration, be deemed less adapted to circumstances actually existing.

52. At present, by imposing a Minister on a Prince, and supporting that Minister during our pleasure, we make the sovereign subject to his servant; we make the Minister tyrant over his master; we patronize a virtual usurpation; and if the man whom we chuse for our own purposes be a vicious ruler, we sanction, by our countenance, all the evils of his misrule.

53. And, for so doing, we should not at present have the plea of necessity; for the same power which can enable us to support a Minister obnoxious to his Prince, might enable us to exercise, in a less objectionable manner, sufficient control over the policy of the Prince and his Ministers, whoever they might be.

54. The

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54. The conduct, therefore, at this court, which I should conceive to be best suited to our present circumstances in India, would be, to court the good will of the Prince himself, in preference to that of any of his servants; to act cordially with any Minister of his selection, and to fix our attention on measures, rather than on men.

55. I offer this remark prospectively, and without reference to the peculiar case of Chundoo Loll. But as long as our obligations to him may be considered as requiring that we should support him in his present power, while we take advantage of his adherence for our own interests, we are bound also, I conceive, to prevent the injuries to the Prince and people which might result from his misrule, and to protect and cherish the country, until it can be left exclusively in the uninfluenced management of its sovereign or his ministers, with a reasonable assurance of just and considerate Government.

56. Until I receive orders to the contrary, I shall continue to pursue the course described in this despatch, endeavouring to secure the country from oppression and extortion, robbery and depredation, and avoiding all interference that may not be requisite for that purpose. I shall also support the present Minister, Chundoo Loll, understanding it to be the intention of the Most Noble the Governor-General in Council, that I should do so, though I have not met with any precise instructions on this point on the records; and I hope that, in time, when the affairs of this state shall be in a more regular order, and its pecuniary embarrassments be removed, that the Minister himself may become sensible of the solid advantages of good government, and the mischief and folly of reckless extortion.

57. There is, however, one point, even with regard to his individual case, on which I might be embarrassed, in the absence of instructions, were the exigency to occur. I can have no hesitation in discountenancing any intrigues on the part of his rivals; but if the Nizam himself were to express an inclination to dismiss him, I do not know that I have, at present, any authority to oppose that inclination: yet submission to it might be at once fatal to the Minister's power. I have no expectation of such a contingency, and no certain conviction that Chundoo Loll would be discharged, even if the Nizam were assured that the measure would pass without opposition. It is possible, however, that his Excellency the Governor-General in Council may deem it desirable, that the Resident should be put in possession of instructions suitable to such a contingency, in the event of its occurrence.

58. This dispatch is not completely in the state in which I would wish to submit it to the notice of his Excellency the Governor-General in Council; but I have this day received intelligence of a very extraordinary nature, which induces me to transmit it, without correction and without delay, lest the additions and alterations which I might make to it, should receive a bias from that intelligence.

I have, &c.

Hyderabad,
31st August 1822.

(Signed) C. T. METCALFE,
Resident.

(Enclosure No. 2. in Bengal Political Letter of 20th December 1822.)

To George Swinton, Esq., Secretary to Government, Fort-William.

Letter from Resident at Hyderabad.

Sir:

1. Having received intelligence alluded to in the last paragraph of my despatch of 31st August, to the effect, that letters from the Nizam's Minister, Rajah Chundoo Loll, to his Excellency the Governor-General, had been received in Calcutta, through Mr. William Palmer, of the firm of Messrs. William Palmer and Co., I waited yesterday on the Rajah, partly on other business, but chiefly with a view to ascertain the cause of so extraordinary a proceeding, as the employing of the gentlemen of that concern in the conveyance of his communications to the British Government, when a representative Resident was at this court, for the performance of that duty.

2. After

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2. After the usual complimentary enquiries on both sides, I communicated to him the intelligence which I had received, and asked the cause of so strange and unexampled a procedure.

3. He had, as may be supposed, more minute intelligence than I had on the subject, and informed me, that Sir William Rumbold, Mr. William Palmer, and another gentleman of the firm, had been with him two days before, to announce the arrival and reception of his letters, and to press for the immediate payment of five lacs of rupees, towards the discharge of their demands on the Government, as they were in want of cash at the present time.

4. Out of much confused and apologetic explanation of his conduct, at which he expressed himself (with what sincerity I shall not pretend to determine) exceedingly ashamed, the excuse which he rested on, without attempting to justify it, was, that he had been extremely alarmed by reports of intrigues at the court for his overthrow, and of the Nizam's intention to dismiss him, and especially by the order given by the Nizam to Nawaub Mooneer-ool Moolk to visit me; that, at the same time, owing to my reserve and distrust towards him, he had never been able to procure from me satisfactory assurances of support, and had, therefore, from fear of his life and his honour, resorted to the step which he had taken, and which he expressed himself sensible would deprive him of any title to confidence from any one: "but," he added, "I "acted in despair; I gave up life, situation, and every thing, when I wrote "that letter; I was frightened and bewildered."

5. It appeared from his account, that people had worked on him till he believed that I had made all the arrangements for a new ministry; and so credulous had he been, or pretended to have been, that I had agreed to appoint a person to his office, with which person I have never had any intercourse, have never to my knowledge seen him, know nothing of his character, and little more of him than his name.

6. The Rajah also said, that he had been informed that I had recommended his dismissal in my reports to the Presidency. But he did not say how he had got such information; except, generally, that it came from the neighbourhood of the Residency. If such things were really put into his head, one can hardly wonder at the consequence. With respect to my reports to the Presidency, I let him know, that I had always represented him in the light in which he knew I looked on him; as oppressive in his internal rule, but strongly attached to our interests, and unequalled at the court in capacity.

7. I have been for some time, sensible of the existence of a plot hostile to me and my proceedings, one part of which has been to persuade the Minister, that I am inimical towards him, and that he must look elsewhere for support: but I did not anticipate that this design could succeed, so far as to fill him with such imaginary fears as he expressed, to the degree in which he represented them as existing.

8. He had often apparently sought assurances of support, and I always thought that I had given such as were reasonable; but I did certainly preserve some caution on that point, lest I should commit my Government and myself, beyond any authority in my possession. This caution, it seems, if he is to be credited, threw him into the arms of other persons, for the exertion of their influence in his favour, to do away the effects of my supposed want of countenance.

9. He reminded me, on this occasion, of a visit which he paid me some time ago, the object of which, he said, had been to obtain from me some such assurance. He said that he had for four hours poured into my ears the tale of his difficulties and dangers, but could not extract from me what he wanted. It must be recollected, that what he wanted was an assurance of support against his master; which is more, I presume, than I could distinctly afford him. Yet this, too, is unaccountable; for he now pretends that he has since derived from me sufficient assurance, though I am not conscious of having given him any such. I cannot however forget, that at the very time when he employed Messrs. William Palmer and Co. to convey a clandestine communication to the Presidency, he used to tell me, that he did not yield to any of my assistants in a cordial desire to fulfil my wishes.

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10. He acknowledged, that in the visit above alluded to, he had never made any direct application for the assurance which he was seeking; and he professed to take as much shame to himself for not doing so, as for his underhand proceeding,, in sending letters to the Governor-General through Messrs. William Palmer and Co.; but he left me, he said, on that occasion, in despair; and Mooneer-ool Moolk's visit, by order of the Nizam, taking place soon after, joined to the reports of the intrigues of his enemies, led him to send off his letters to the Governor-General through Mr. William Palmer.

11. In alluding to the conversation above-mentioned, he observed, that what had greatly added to his alarm was, that when he spoke of his attachment to the British Government, I had desired him to think of his own master, the Nizam; from whom, he observed, he had not the slightest hope, if he were left to his mercy. It is true, that I have always informed the Minister that he could not now better shew his attachment to the British Government, than by his attachment to his master, and by the good government of the country. It is rather hard, that such a sentiment should excite alarm and distrust; and it must be a strange state of things, in which it can have that effect.

12. On my asking why, if he thought it necessary to write to the Governor-General, he had not called on me to send his letters, who, as Resident, was the proper channel for such communications, mixed up with other excuses, such as, that he did not know the regular form in these matters, &c., the main reason which he professed was, that he thought I might possibly not agree to forward them: and if I were displeased, as matters then stood, the consequences, according to his fears, might have been fatal to him.

13. I requested a sight of his letter to the Governor-General; but he pretended that he had not any copy. On my expressing some surprize that he should not retain a copy of a letter addressed to his Lordship, he said, that as it was a disguised proceeding, he had destroyed all traces of it.

14. He then described the contents of his letter, as being an application to the Governor-General for a recommendation (sifarish) to me in his favour. He added, that he had availed himself of the opportunity to insert a request for the removal of our interference from the country, and to inclose copies of some notes which he had before addressed to one of my assistants.

15. There was something very disingenuous, if not hostile and treacherous, in selecting from the mass of his daily correspondence with the Residency, two documents which had, like all the others, been disposed of in the usual course of business, and transmitting them for the Governor-General's cognizance, without annexing the sequel. This defect it will be my duty to supply, when necessary, with some comments regarding the origin, of one of those documents.

16. When I mentioned my objections to this conduct, the Minister's excuse was, that he had never intended to act so; but when he was writing to the Governor General to obtain his Lordship's recommendation to me to give him my support, he could not resist the opportunity of putting in what he thought might serve to accomplish his wish on the other point. He denied, of course, any unfriendly intention, as a thing of all others in the world the most impossible.

17. He then began to talk of what he termed his great obligations towards me: 1st, because I never sent any people to him with recommendations for favours; 2d, because the Zemindars were brought into better order than they were ever in before; 3d, on account of the settlements which, though he thought them in some instances too light in the first years, were on the whole very good, both for the people and the Government; 4th, For the prospect of paying off the debt due to Messrs. William Palmer and Co, with regard to which he furnished me with some accounts which were wanting, to shew the actual balance at the latest period of settlement. Against these obligations he had to set off, he said, the want of my support, which kept him in constant dread, and had led him into the measure of sending letters to Government, through Messrs. William Palmer and Co., of which he should be ashamed all his life.

18. He took on himself the entire responsibility of that proceeding, and declared that he had pressed it on Mr. William Palmer, who had been reluctant

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tant to accept the commission. I have my own opinion on this subject, and it is not much affected by the Rajah's declaration; but it is due to Messrs. William Palmer and Co., that his testimony on this point should be reported.

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19. On the subject of the loan, he expressed anxiety to know whether the Governor-General in Council would advance the large sum that might be required. I told him that I thought it likely that his Lordship would, from the tenour of the instructions which I had received. He dwelt on the advantages which would result from getting clear of the debt due to those gentlemen, and complained of the overwhelming amount of their "interest upon interest, interest upon interest" (Sood dur sood, sood dur sood). He expressed a hope, that I would afterwards prevent their coming to him. After the use which he had lately made of them, I thought that the sincerity of the wish might be doubted, and that it might be put on for the occasion; I therefore asked the Rajah, if he were in earnest. He replied in the affirmative; but less decisively: adding, "What business will they have with me when their debt "shall be paid? Why should they come at all then? they will, of their own "accord, cease to come; they will go away altogether when they lose these "profits."

20. I must have been full four hours with him, during which our conversation went on with much more good humour than I should have expected on such an occasion. His plausibility is very great, and his manner disarms every angry feeling. He repeatedly put his hands together, in the posture of beseeching, and entreated, in submissive but not abject terms, that I would forget and forgive the great fault which he had committed, and continue to act with him in confidence of his entire devotion. He said, that half the assurance which he had derived from my late expressions of kindness, would have saved him from the unfortunate step which his wretched disposition (kumbukht mizaj) had led him into. Not being aware of any difference in my behaviour towards him, I could not account for his transition from distrust to confidence, and so I told him. On the subject of pardon, as he called it, I informed him, that I could not entertain any personal feeling on such matters; that I was the servant of my Government, stationed here for the purpose of executing its orders, and should always be happy to co-operate cordially with him for the good of the country, to which I urged him pressingly to turn his chief attention. I added jocularly, that I could never, however, forget the trick he had played me: and that matter went off with a laugh on both sides.

21. Much more conversation passed between us, than I am able at present to relate or recollect. I may hereafter have many observations to make on the subject of this letter; but I await your intimation of the commands of his Excellency the Governor-General in Council, regarding the communications of Rajah Chundoo Loll through Messrs. William Palmer and Co. The mode in which they have been received, will either render necessary a very disagreeable detail, or will relieve me from that necessity. It will also decide, to Chundoo Loll's conviction, what his conduct shews to be at present doubtful in his mind; *i.e.* whether the Resident, or the firm of William Palmer and Co., be the real representative of the British Government at this Court.

I have, &c.

Hyderabad,
3 September, 1822.

(Signed) C. T. METCALFE,
Resident.

(Enclosure No. 3. in Bengal Political Letter of 20th December 1822.)

To G. Swinton, Esq., Secretary to Government, Fort-William.

Letter from Resident at Hyderabad.

Sir:

1. I hasten to correct a mistake into which I have fallen, in my report of the 31st ultimo.

2. I observed therein, that I had not discovered any explicit instructions on my records, for the Resident's giving his support to the Minister, Chundoo Loll. I have this instant met with a despatch, under my own signature, conveying very

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very explicit instructions on that point, and I wonder how it before escaped my notice and recollection. I hope that his Excellency the Governor-General in Council will excuse this inadvertency.

I have, &c.

Hyderabad, 5th September, 1822. (Signed) C. T. METCALFE, Resident.

Letter from Secretary to Government.

(Enclosure No. 4. in Bengal Political Letter of 20th December 1822.)

To C. T. Metcalfe, Esq, Resident at Hyderabad.

Sir:

1. Your letters of the 31st August, and 3d and 5th September, have been laid before the Governor-General in Council, and I am directed to communicate the observations which occurred on their perusal.

2. In the second paragraph of your first letter you say, that "you suppose "our interference in the Nizam's affairs to be not merely right, but also a "duty, arising out of our supremacy in India, which imposes on us the obli- "gation of maintaining the tranquillity of all countries connected with us, "and consequently of protecting the people from oppression, as no less neces- "sary than the guaranteeing of their rulers against revolution." The assumption of our possessing an universal supremacy in India, involving such rights as you have described, is a mistake. Over states, which have, by particular engagements, rendered themselves professedly feudatory, the British Government does exercise supremacy; but it never has been claimed, and certainly never has been acknowledged, in the case of Native Powers standing within the denomination of allies. Although a virtual supremacy may, undoubtedly, be said to exist in the British Government, from the inability of other states to contend with its strength, the making such a superiority a principle singly sufficient for any exertion of our will, would be to misapply that strength, and to pervert it to tyrannic purposes.

3. In your third paragraph you observe: "the only refuge of a people into- "lerably vexed, is in emigration or insurrection; and as we secure the Nizam's "Government against rebellion, it seems to be incumbent on us to save his sub- "jects from grievous oppression." The argument of supremacy having been set aside, nothing but the tenour of some special engagement could render us liable to the call, or allot to us the title for such interposition. Our treaties characterizing the Nizam as an independent sovereign, authorize no such latitude. When, for our private views, that prince was constrained to support a body of our troops, to be stationed near his capital, the then government disguised the interested oppressiveness of making him pay a portion of our army for holding him in thraldom, by a sturdy declaration, that his Highness had spontaneously sought the aid of a subsidiary force, to secure his person and territories. The veil thus thrown over our policy, required that any stipulations which could mark the prostration of his power should be forborne, so that, in appearance, he legitimately retained his freedom. The measure, however, really placed him at our mercy. It was hardly to be imagined, that our advantage would not be abused, and it was abused: the independence which the very conditions of the compact recognized, and pledged us to respect, was set at nought. Gradual but unequivocal encroachments on the Nizam's just authority were perceived by the Honourable Court, and a more becoming system was enjoined. The Governor-General in Council laboured to introduce it;—a work of no small difficulty when the country was so disorganized;—and having established an understanding with Rajah Chundoo Lóll for the correction and future conduct of affairs (this Government, in return, binding itself to support that Minister,) the Resident was directed to adopt a course of conciliatory counsel, instead of those starts of despotic dictation which had before been in use. That limited degree of interference would still be objectionable, but for the common interest between the two Governments, that his Highness's territories should be restored to prosperity: yet even that excuse would be insufficient, were not our influence to be managed with delicacy, and to be unavowed. Such is the distinct nature of our relations with the Nizam; and a

disregard

disregard of its terms would be no less repugnant to general principles, than to the orders of this Government.

4. Paragraphs four and five plead necessity for our interposition, because the Nizam does not rule his subjects with equity and prudence. The fact of maladministration is unquestionable, and must be deplored. Does that, however, decide the mode in which alteration is to be effected? Where is our right to determine, that the amount of the evil is such as to demand our taking the remedy into our hands? His Lordship in Council observes, that the necessity stated is altogether constructive. Were such a pretence allowable, a powerful state would never want a colour for subjugating a weak neighbour. The consequence is so obvious, that no principle in the law of nations leaves room for acting on such a presumption. It is admitted, that if convulsions rage so violently in one state, as clearly to threaten the excitation of ferment in a bordering one, the latter may be justified in reducing to order the nation by which its tranquillity was menaced. This, however, is an extreme case, at the same time that it is of a description strictly defined. No analogy exists between indisputable exigency and an asserted convenience, where vague arbitrary charges, if tolerated as a ground of procedure, would furnish ready pretext for the foulest usurpations.

5. The Governor-General in Council contemplates with pleasure, throughout the subsequent paragraphs, uniform indications of that zeal and excellent intention, for which perfect credit has been constantly given to you. Where the measures flowing from that solicitude to bring into regularity the course of the Nizam's Government, and to produce comfort among his Highness's people, have been carried to an undesirable length, it has arisen from their being founded on the erroneous supposition detailed in the paragraphs before noticed, and the explanation now signified to you would prevent their being pushed still further. Nevertheless, it is deemed expedient to communicate some more precise observations for your future guidance.

6. After reading the despatch in question, it was with more pain than surprise that the Governor-General in Council pondered on your inculpatory allusions to Rajah Chundoo Loll. Their source was easily conceivable. To his Lordship's apprehension, the renitence of that Minister in certain instances, which you have regarded in the light of a deliberate and corrupt counteraction of your plans, is sufficiently accounted for as an unpremeditated hesitation. While it was not unnatural for you to slide into that misconstruction, when you believed yourself invested with authority to overrule his conduct, it was equally venial in him to be staggered by such a tone, when he had been apprized that we disclaimed any arbitrary sway; and should only point out to his judgment the measures which appeared to this Government to be requisite and efficacious for his master's benefit. He had been taught that he was, in his sovereign's behalf, to govern the country, hearkening only, in that occupation, to the counsels of the Resident; and that, attaching to him a direct responsibility, we would uphold him, so long as he displayed a just and provident rule. Procedures inconsistent with this assurance must have been no less perplexing than wounding to him, and his embarrassment would appear to you ill-will. A striking illustration is furnished by your letter. In the twenty-sixth paragraph you mention, that the British officers acting under you, and charged with the duty of receiving, in the districts over which they were respectively placed, appeals of the cultivators against any exactions attempted by the native functionaries, were "also authorized and directed to give their "attention to the suppression of depredations, robberies, and such crimes as "affect the safety of the community." The first duty was of very delicate discharge. With regard to that which was superadded, a more ostentatious assumption of the Government could not well be imagined; nor is it easy to figure to one-self any other case, which would in an equal degree agitate Rajah Chundoo Loll; first, as it inspired doubts of the British Government's sincerity; secondly, as it exposed him to the probable indignation of his master, to whom his acquiescence, in the exercise of such unlicensed power, would not fail to be represented with distorted features.

7. Much as the Governor-General in Council regrets a step so completely at variance with the principles which he had laid down, he is aware that it can-

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Letter from Secretary to Government.

not be retracted suddenly, without the alterations being attributed to a disapprobation notified by this Government. As it is the Governor-General's wish that your possessing his entire confidence should never be doubted, the arrangement must remain as it is, for so long as it shall be thought by you really necessary according to your views; and its abrogation hereafter should be gradual. In the mean-time, the Governor-General in Council must require your holding a vigilant eye over those very young and inexperienced individuals, to whom that important superintendance is delegated. You must be sensible, that the possession of a power, large in proportion as it is undefined, may readily lead to a flippant parade of it, than which nothing could be more revolting to natives of consequence: you must, therefore, check austerely any unnecessary exhibition of superiority.

8. His Lordship in Council notices, in paragraph nine, your observation, that the Nizam having withdrawn himself entirely from public business, and the first Minister Mooneer-ool Moolk, being a cipher, the Government rests wholly in the hands of Rajah Chundoo Loll. The terms in which this is mentioned, would seem to infer its being a circumstance to be lamented. It appears to have escaped you, that the non-interference of Mooneer-ool Moolk was stipulated, whether providently or not, by this Government. Our concurrence in the elevation of Mooneer-ool Moolk was obtained by him, on the condition that he should take no share in the current transactions of the state, we being unable to place reliance on his dispositions towards us. The Nizam was satisfied with the ostensible appointment of a Prime Minister, while this Government reposed itself on the experienced attachment of Rajah Chundoo Loll, the second in office, who was destined to be the efficient person. His qualifications for the office will not be questionable, since you have described him as the man the most competent in the whole country for the situation, on the score of ability. The position of Chundoo Loll, however, was too slippery, to allow of his undertaking, without a specific engagement from the Governor-General in Council for his security, those rough corrections which the disorders of the state required; and this Government, reluctant so to bind itself, was tardy in yielding to the necessity of stimulating him to these vigorous efforts, on the pledge of faithful support. The promise was at length given, and was answered by the desired exertions. Certainly the full amount of advantages speculated upon by Chundoo Loll, from the measures adopted in concert with this Government, was not realized. The probability of miscalculation, to some extent, in arrangements so novel and so complicated, was foreseen. Yet the Rajah did act with all the energy expected from him; did disband the licentious soldiery, which trampled on the ryots; did displace those chiefs of districts who had practised extortion, or had connived at predatory associations; did remove the immediate danger of commotion, thereby affording time for the application of those more permanently effectual remedies, which you were instructed to fashion with him. Against this actual fulfilment of a difficult and meritorious service, you urge the insincerity of Rajah Chundoo Loll, his unfeelingness towards the people, and his rapacious pursuit of undue gains. The habits of the country are apt so far to vitiate the character, that it would not be easy to find a native in high station untinctured with such faults. The Governor-General in Council, however, cannot conceal his persuasion, that somewhat of prejudice, arising from your belief in his studied opposition, leads you to impute to him those defects on an exaggerated scale. The frequent repetition of those charges in general terms, charges so little consonant to any former accounts of that Minister, impress the conclusion. An indulgence of such adverse leanings may be of great inconvenience, since it is indispensable that you should work with Chundoo Loll. After his performance of that which was prescribed to him by this Government, it would be the deepest stain to British honour, were he left to the ruin which must follow the discontinuance of our plighted support.

9. The above remarks are irresistably demanded, in the opinion of the Governor-General in Council, by your representing the aukwardness of our advancing obstacles, should the Nizam express his pleasure for the dismission of Chundoo Loll. The contingency is pointed at in such a way, as to give some alarm of its having encouragement. You are well aware, that such a purpose would

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would never occur to his Highness without external suggestion. The instigation could not originate with you, because no greater contravention of the orders under which you are acting would be imaginable, so that it must be insinuated by some private enemy of the Rajah. The interested malignity of the advice, and the known indifference of the Nizam on the subject, would render this a case totally different from one, in which a competent sovereign should intimate his will, and obstacles may honestly be opposed. You would not, indeed, object in a broad manner. The proposition would have to be met with such a countenance as should imply serious consequences. You would give it to be understood by intelligible hints, that the removal of Chundoo Loll would cause a material change in the connection between the two Governments. It would be fitting to throw out, as if loosely, that should a Minister in whom the British Government could have no confidence be entrusted with his Highness' concerns, it might be incumbent on the British Government to look to its interests, in another mode than what had hitherto sufficed, and to claim for itself, as standing in the Paishwah's position, all those rights over the Hyderabad dominions, which that Prince had possessed. This glimpse of eventual procedures would assuredly be decisive. In short, the Governor-General in Council holds the good faith of this Government to be staked for the maintenance of Rajah Chundoo Loll in his office, unless he shall be guilty of some distinct delinquency; and you will please to regard it as a special obligation upon you, to support that Minister. Such estrangement as exists between you, has been owing to unfortunate miscomprehensions. It would yield at once to a conciliatory tone and demeanour: and his Lordship in Council observes, it ought not to be retained, when its consequences must be seriously embarrassing to both Governments. The questions put by you, will be sufficiently answered by the foregoing remarks.

10. That an exaggerated sensitiveness has been indulged by you, is visible to his Lordship in Council, from your letter of the 3d September. The complaint which you there prefer, of the Minister's having made the house of William Palmer and Co. the channel for forwarding a letter to the Governor-General, containing representations against steps of yours, is correspondent to the view which you will have found this Government took of the procedure. It is but candid to meet with belief what is asserted on both sides, namely, that when the Minister pressed upon Mr. Palmer the transmission of the despatch, he did not address himself to Mr. Palmer as a partner of the firm; but as an old servant of the Nizam's; and that Mr. Palmer, in obeying the requisition after much resistance, conceived himself to be bowing to an authority which had claims upon him. The discrimination was obviously illusive; for, in truth, it was impossible to divest Mr. William Palmer of his character as head of a house which was accused of extraordinary dealings with the Nizam's Government, and which therefore, if justly accused, might have a corrupt interest in impeding reform. To that extent, his Lordship in Council has condemned both. At the same time, when in the seventh paragraph you declare, that you had long been sensible of a plot against you, it is evident you indulge an overstrained jealousy. All at which you point is explicable much more simply. It was not in nature, that Chundoo Loll should not deeply feel the being exhibited in the eyes of the country as a passive and helpless instrument under British direction, and that he should not thence occasionally break out into fits of peevishness, perhaps of culpable obstruction; but the notion of forming a conspiracy against you, where no materials for such a fabric could be found, must be thought too lightly admitted. It is hoped, that what is said in the former part of this letter, will induce you to dispel suspicions, which must unavoidably hazard your success in the beneficial efforts you are exerting.

11. With regard to the Minister's addressing the Governor-General otherwise than through you, his Lordship in Council desires me to say, that he will never bar such direct communication. Though the recurring to Mr. William Palmer was improper, it was so from peculiar circumstances, applying specially to that gentleman. Any other mode for the transmission of a letter would have been unobjectionable. The estimation in which the Governor-General in Council holds your character, renders his reliance upon you as full and as fair as your utmost wish could desire: still the highest trust of an individual,

should

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should not occasion the relaxation of a just and necessary public principle. The Governor-General in Council must hold it obligatory on him, to give every facility for such appeals as any Native Prince or Minister may be solicitous to lay before him. The measures of a Resident or Agent are more likely to be the ground of those references than any other subject; and to require that such applications for intervention should be made through the person complained against, would, from the apprehensive dispositions of the natives, be to exclude them wholly. The Governor-General in Council must not narrow his means of affording redress; nor can his keeping them open, justify a supposition of his unworthily encouraging imputations, or counteractions against his own representative.

I have, &c.

Fort-William,
25th October 1822.

(Signed) G. SWINTON,
Secretary to the Government.

(Enclosure No. 5 in Bengal Political Letter of 20th December 1822.)

Letter from Resident at Hyderabad.

To George Swinton, Esq., Secretary to Government, Fort-William.

Sir:

1. I have not been able sooner to report on the subject of your despatch of the 19th July, owing to the want of the requisite accounts. With respect to those of the debt due to Messrs. William Palmer and Co., the Nizam's Minister ascribes the delay to those gentlemen. These may be depended on, I presume, as nearly accurate; but with respect to others, I am still obliged to content myself with the loose estimates which the Minister has furnished.

2. Nevertheless, I now submit the following statement of the debts of the Nizam's Government, under a supposition that it approaches, as nearly as can be expected, to correctness.

3. The debt to Messrs. William Palmer and Co., according to accounts made up to the 20th July, then stood at the sum of Rupees 93,51,757. 4. 3; from which may be deducted ten lacs of assignments in hand, the realization of which may be immediately expected, leaving to be paid off to that firm, with such increase or decrease as may intermediately accrue, Rupees 83,01,569. 11. 9.

4. The other debts are estimated as follows:

To native money-lenders	Rupees	17,34,509
Arrears to troops.....		15,00,000
Unsettled claims of the British Government on account of cessions, if exacted.....		10,00,000
Usual advance of peshcush		4,00,000
		46,34,509
Add debt to Messrs. William Palmer and Co., as above, ...		83,01,569
	Rupees	1,29,39,078

making a total of existing demands against the Nizam's Government of Rupees 1,29,39,078; a sum more likely, I fear, to be under, than above the real amount of existing obligations.

5. The following is a statement of present revenue and expenditure, furnished by the Nizam's Minister. It cannot be relied on as accurate; but it probably is as much so as any that I can expect to procure.

Revenue, including the peshcush paid by the Honourable Company	Rupees	1,89,33,553	10	3
Expenditure exclusive of interest of debt		1,75,11,400	11	6
Surplus applicable to charges of debt,	Rupees	14,22,152	15*	9

6. This statement would not be discouraging, in the present prospects of the country, if the British Government would relieve the Nizam's Government from

* The error of one anna is in the original.

from its embarrassments, or if money could be procured elsewhere, on cheaper terms than those at present existing: but in the actual state of the debt, with the continuance of its overwhelming rates of interest, added to the improvidence of the Minister, there is, I think, no hope of extrication. The most probable end, if matters went on in their present way, would be the ruin of the creditors, as well as that of the Government and the country.

7. The debt to Messrs. William Palmer and Co., in 1820, was supposed to be sixty lacs; and an arrangement was made for liquidating it in a certain time, by annual payments of sixteen lacs. In reality, it was even then more; and on the 20th July last, instead of being reduced, it had increased to more than ninety-three lacs.

8. It may be useful to compare the state of the various debts due to Messrs. William Palmer and Co. on the 20th July, with what it was on the preceding six months' settlement of accounts.

First. Loan bearing interest, at Rupees 18. 12. 11½ per cent. per annum.			
Former half-year's balance,..... Rupees	58,20,814	13	0
20th July, ditto	57,68,167	8	9
Decrease, ... Rupees	52,647	4	3
Second. Debt bearing interest at Rupees 25. 7. per cent. per annum.			
Former half-year's balance ..... Rupees	26,71,377	6	0
20th July, ditto	27,84,819	15	9
Increase,..... Rupees	1,13,442	9	9
Increase of debt, ... Rupees	1,13,442	9	9
Decrease	52,647	4	3
Net Increase..... Rupees	60,795	5	6

9. Within this period of six months, the assignments actually realized on these two accounts have amounted to Rupees 9,39,410. 8; shewing that payments at the rate of Rupees 18,78,821 per annum being by Rupees 2,78,821 in excess of the stipulated sixteen lacs, instead of discharging the debt in a given time, do not, in fact, prevent its increasing.

10. The balance of the Aurungabad concern, of which I have not yet received the accounts, is said to be Rupees 7,98,769. 11. 9, making up, with the balances beforementioned, the total of debt on the 20th July:

First balance..... Rupees	57,68,167	8	9
Second ditto	27,84,819	15	9
Third ditto	7,98,769	11	9
Rupees	93,51,757	4	3

I must say "Errors excepted" to the above statement; and I should be glad to think it probable that, by the discovery of any error, it could be made more favourable to the Nizam's Government.

11. Assignments on the revenue for the current year have been issued to Messrs. William Palmer and Co. to the amount of twenty-five lacs: a sum which is more than ten lacs above the means properly applicable to such a purpose, and cannot therefore be paid without creating further embarrassment in other quarters, by the accruing of fresh arrears in addition to those already existing; and still, if paid, would probably not tend to the reduction of the debt due to Messrs. William Palmer and Co., in a degree proportionate to its own vastness.

12. The Minister professes to furnish for the payment of Messrs. William Palmer and Co., in addition to these twenty-five lacs, a further sum of twelve

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lacs, to be levied by forced contributions; and these sums united to ten lacs of assignments in course of payment, might be expected to effect a great reduction of the ninety-three lacs and a half due on 20th July. I am not, however, so sanguine as to expect that the performance will come up to the promise, believing it to be impossible, without creating other pressing difficulties.

13. The whole assignments on the Government revenue for the year now commencing, already issued and reported by the Minister, including the twenty-five lacs above-mentioned as granted to Messrs. William Palmer and Co., amount to between fifty and sixty lacs. If these assignments are for arrears, they are anticipations of the revenue, and their payment will, of course, involve arrears in the current expenditure of the year. The Minister, however, who always tries to evade any close inquiry into matter of receipt and disbursement, says that they are for expenses belonging to the current year, in which case, if arrears can be otherwise provided for, they would not be very objectionable; though I much wish that it were possible to induce him to establish a public treasury for the receipt of revenue and the disbursement of charges, instead of effecting all payments by assignments on expected revenue.

14. The proposition originally received from the Minister was, that thirty-five lacs should be advanced by our Government, and that he would provide thirty lacs for the payment of a debt to Messrs. William Palmer and Co., estimated at sixty-five lacs.

15. His plan for raising thirty lacs was by appropriating the sixteen lacs payable annually to Messrs. William Palmer and Co., and by adding twelve lacs to be levied as a forced contribution from certain chiefs occupying Sholapore, Soogoor, &c. whose relation to the Government does not seem to be well defined. The two lacs remaining to complete the thirty, were to be supplied by some other expedient not explained.

16. Of the first part of this plan it must be observed, that the Minister forgot to deduct from the sixteen lacs the sum of seven lacs, which is the amount of the peshcush, and would no longer be a receipt of the Nizam's Government. That resource would thereby be reduced to nine lacs, which also would not be wholly available until the debt were entirely reduced, and in the ordinary manner could not be wholly collected till the expiration of the year: the sixteen lacs, therefore, would have gone but a short way, if any, towards the accomplishment of the purpose.

17. The justice and practicability of raising twelve lacs by forced contributions are both doubtful. They are to be levied on chiefs, who whether tributaries or subjects, have hitherto paid a fixed contribution, and have paid it of late without fail. Perhaps they may be subject to extraordinary contributions. Of this I am not sure, and at present consider the justice of the scheme doubtful. If just, its practicability is still a matter of doubt; for perhaps the chiefs in question may not have the means of paying such a sum, or they may resist the demand. In the latter case, some expense will be incurred in coercing them.

18. It appears, I think, from the above circumstances, that the Minister's proposal, as to any complete relief to be produced by it for the Nizam's Government, was fallacious. Not only was the accomplishment of the plan as proposed doubtful, but the proposition being only for sixty-five lacs, its complete accomplishment would not have effected the discharge of the debt due to Messrs. William Palmer and Co.

19. The debt to that firm to be discharged will not be less, it may be presumed, than eighty-five lacs. An advance of thirty-five lacs by the British Government, for the payment of an equal portion of the debt, would leave a loan of fifty lacs to be paid gradually, or to remain on the books, as circumstances might turn out.

20. Such an arrangement would have been highly beneficial for Messrs. William Palmer and Co., as it would have enabled them to get rid of all disadvantageous concerns, would have secured them against the eventual dangers to which the overgrown state of their loan at present exposes them, and would still

still have left them a valuable hold on the Nizam's Government without diminution of the present rates of interest. The relief to the Nizam's Government would only have been partial, and the object of the Governor-General in Council, in acceding to the expressed wishes of the Minister, would have failed.

21. With reference to the seventh paragraph of your despatch of the 19th July, I have the honour to inform you, that the Minister's communications with me, on the subject of this proposition, were verbal. He urged it in a pressing manner, and I could not then account for his sudden eagerness on this point. It has since become sufficiently intelligible.

22. The first advancement, however, of this proposition, was in a note addressed to one of my Assistants, wherein it was couched in the following terms. "I have now conceived and proposed the following arrangement for "paying off the debt of the Kottee (the designation commonly applied to "Messrs. William Palmer and Co.). I will, by every possible expedient, pay "from the collections of districts in the course of the year 1232 Fuslee, which "will commence after two months, and before the end of that year, thirty lacs "of rupees; but in this matter a little of the Resident's attention and assis-"tance is necessary, as follows. The Zemindar of Sholapore holds in his pos-"session a country yielding eight lacs of revenue, but from refractoriness only "pays to Government the yearly sum of one lac and thirty-five thousand ru-"pees: the Zemindar of Gurwaul, holding a territory of four lacs, pays annually "to the Government one lac and eight thousand rupees; and the Zemindar "of Soogoor, holding a territory of three lacs, gives nearly a lac of rupees yearly "to the Government: Therefore, in return for the excess which they have for "years devoured, and in consideration of the loss sustained by the Government, "let ten or twelve lacs of rupees be required from those three Zemindars, and "let that sum be included in the payment to the Kottee (William Palmer "and Co.), in part of the thirty lacs to be provided; and let thirty-five lacs, "bearing interest at the Company's rate, be granted by the British Government, "in lieu of the seven lacs yearly payment on account of chicacole (*i.e.* the "peshcush). I will not require that yearly payment until the liquidation of "the sum, principal and interest, advanced on that account: and the pay of "the Russell brigade, which is now furnished from that annual payment, I "will provide from the collections of other districts, in four equal instal-"ments, during the year, without fail; and after the liquidation of the debt, "the pay of the battalions shall be furnished from the annual payment (*i. e.* the "peshcush). If this matter can be effected through the kindness of the Resi-"dent, it will redound to the good name of the British Government, and will "tend to promote the reduction of interest, and to relieve this Government "from its debts."

23. The paper in which this proposition was conveyed is, I believe, in the possession of Government, among those clandestinely transmitted through Messrs. William Palmer and Co. I have confined my extract strictly to the proposition itself; because, were I to enter on the full discussion of the contents of that document, I should necessarily be drawn into representations which I am anxious to avoid.

24. After the receipt of your despatch of the 19th July, in carrying into effect the instructions therein communicated, I found the Minister disposed to adhere to his original proposition of receiving thirty-five lacs from the Honourable Company, and squeezing out thirty himself, in the manner before described. But as it was impossible to submit seriously to his Excellency the Governor-General in Council a proposition so unsatisfactory, and so inadequate for the purpose contemplated, I recommended that he should advance one which would render the expected aid from his Lordship more effectual, and requested that it might be transmitted to me in a formal document, bearing his seal and signature. He has accordingly sent one in his own hand-writing, and with his seal annexed, of which the following is a translation, and of which a copy is enclosed, the original being deposited in the records of the Residency.

Translation.

"For the payment of the debt of the Government of his Highness the Nizam, "in consideration of the unity of the two states, let the sum of eighty-five lacs "of

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" of rupees be granted by the Honourable Company's Government for the dis-
" charge of the most pressing demands, as an advance on account of the
" peshcush of Chicacole. Twenty-five lacs of rupees on account of orders for
" the current year, and twelve lacs of rupees on account of Sholapoor, &c.,
" which sums are assigned for the debt of Messrs. William Palmer and Co.,
" shall be paid into the Honourable Company's treasury ; and with respect to
" the remaining forty-eight lacs, which is received on account of the peshcush,
" until it be discharged no call shall be made for the peshcush. After the pay-
" ment of the sum received in lieu, let the payment of the peshcush be granted
" according to custom."

25. The omission of the mention of interest in this application, I consider as accidental: it shall, of course, be rectified, if the proposal be realized.

26. In this proposition, you will observe, the Minister applies for eighty-five lacs, which sum it is calculated will discharge the debt due to Messrs. William Palmer and Co. It is only on this point that he professes to be anxious. The debt to native bankers, and the arrears he affects to make light of, and the possible demands of our Government, do not, I believe, enter into his spontaneous calculations, though of course he has been reminded of them. His scheme for liquidating the debt due to native bankers is characteristic. He says that he does not mean to allow them any more interest, that they have had interest enough, indeed a great deal too much; in short, that the debt is almost all interest, and that he has no idea of paying any more. It is fortunate for Messrs. William Palmer and Co. that he does not apply the same reasoning to them, and that while they charge on a considerable portion of their transactions the same rate of interest charged by the people who incur such risks, they are secured in the full enjoyment of their profits, by the virtual guarantee of British influence.

27. Rajah Chundoo Loll seems rather disposed to avoid, than to invite any greater advance than the sum of eighty-five lacs. He has from some quarter received intelligence of the existence of a plan for redeeming the peshcush, and throughout the latter discussions on the subject of the debt he has shewn himself to be on his guard against such an apprehended design. Accordingly, in the proposition now submitted, he has provided for reverting to the payment of the peshcush after the liquidation of the amount of the solicited advance. I should not, however, expect much difficulty in persuading him to take an advance sufficiently large to liquidate all demands against the Government, if it were the pleasure of his Excellency the Governor-General in Council to adopt that decisive and effectual measure.

28. I now proceed to submit for his Lordship's consideration, the observations which occur to me on the present state of the question.

29. The payment of the whole amount of the demands existing against the Nizam's Government, estimated above at Rupees 1,29,39,078, would place the Nizam's Government in such a state of ease and disembarrassment, as would offer the best possible opportunity for fixing its future disbursements, so as to prevent the recurrence of arrears and balances, and provide a surplus for exigencies. It would, however, require constant vigilance on our part, and implicit attention on that of the Minister, to counteract his natural disposition towards improvidence, to which, on a release from present difficulties, he might be inclined to give fresh vent,

30. If his Lordship should deem the advance of so large a sum too great an effort to be made for the benefit of the Nizam's Government, the payment of the debt due to Messrs. Palmer and Co. by an advance of eighty-five lacs, as proposed by the Minister, would still be an immense advantage to the Nizam's Government, and would greatly promote its power of settling other claims. I entertain some hope that, in this case, the interest on the debt to native bankers might be reduced to twelve per cent. with their consent, through the mediation of the British Resident.

31. In liquidation of our expected advance, the Minister proposes to pay in the first year twelve lacs, to be levied by forced contributions as before described, and, in addition, twenty-five lacs by assignments on the revenue for

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the current year, at present held by Messrs. William Palmer and Co., which would of course be redeemed by the discharge of their demands; in all, thirty-seven lacs for the first year, and the peshcush, or seven lacs, in succeeding years, till the advance be wholly repaid.

32. I have doubts, however, of the repayment of so large a sum as thirty-seven lacs in the first year. The expected supply by forced contributions is uncertain; and of the remaining twenty-five lacs it does not appear, from the comparative statement of receipts and disbursements, that more than fourteen lacs, including the peshcush, will be available for the charges of debt, without creating new embarrassments in other branches of expenditure.

33. If, therefore, the advance of so large a sum as would liquidate all demands should be deemed inadmissible, but the advance of eighty lacs for the discharge of those of Messrs. William Palmer and Co. practicable, fourteen lacs per annum may perhaps be reckoned on as payable in liquidation of that advance, not only for the first year, but in future years also, as long as might be considered requisite; leaving the other demands against the state to be provided for by other means, such as increase of revenue, which may be expected every year, and such other local resources as may possibly arise, of which, however, I cannot discern any certain prospect.

34. If the debt of Messrs. William Palmer and Co. be discharged, it might be injurious to those gentlemen to do it too suddenly. The pouring in upon them of the whole sum at once, might embarrass them as to the disposing of it: it would, therefore, perhaps be proper to allow the Resident to consult their convenience within reasonable limits, provided that it were not permitted to thwart the main object. To allow their debt, however, to run on at its present high rate of interest, might operate as an inducement to retard payment. This might be obviated, by declaring that from the day when payment might be postponed, solely to meet their convenience, the interest on the outstanding balances should be reduced to twelve per cent., or any other rate which his Excellency the Governor-General in Council may deem preferable.

35. The debt must be paid off, in the case supposed, principally by bills drawn by the Resident, whose funds are now provided almost exclusively by drafts on the Bengal treasuries. That so large a sum as a crore and twenty-nine lacs, or as eighty-five lacs, could be raised in that way, in addition to our large ordinary disbursements, may be considered as doubtful: it might, therefore, be expedient to authorize the Resident to draw on the Madras or Bombay treasuries, if it could be done to advantage, and a considerable supply of treasure from the Madras provinces would greatly facilitate the operation of the measure.

36. I now take leave of this subject, respectfully hoping that the information contained in this dispatch may be sufficient to enable his Excellency the Governor-General in Council to determine the course to be pursued. Less than what is proposed by the Minister would probably be ineffectual, as to any permanent relief to the finances of the Nizam's Government.

I have, &c.

Hyderabad,
8th September, 1822.

(Signed) C. T. METCALFE,
Resident.

(Enclosure No. 6 in Bengal Political Letter of 20 December 1822.)

To J. W. Sherer, Esq., Accountant-General.

Letter from Secretary to Government.

Sir:

1. Government having it in contemplation to advance a loan to the Government of his Highness the Nizam to the extent of a crore of rupees, more or less, on the security of the peshcush of seven lacs of Madras rupees now paid by this Government to his Highness, and of certain purgunnas, the revenues of which are to be appropriated in mortgage, I am directed to desire that you will be pleased to state your opinion, whether cash to that amount can be advanced from our treasuries without inconvenience to the public interests, and

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in what manner you would propose that the remittances to Hyderabad should be made.

Letter from Secretary to Government.

2. As it is proposed that the whole amount of the money to be so advanced should be redeemed, at latest, before the expiration of the present charter, but preferably in six or seven years, if it can be so arranged, you will be pleased to make the necessary calculation of the annual amount, in excess of the peshcush for which the Nizam's Government will have to make provision for the repayment of the loan, interest being calculated at the rate of six per cent. per annum.

I have, &c.

Council Chamber,
2d November 1822.

(Signed) GEORGE SWINTON,
Secretary to the Government.

(Enclosure No. 7 in Bengal Political Letter of 20 December 1822.)

To G. Swinton, Esq., Secretary to Government, Fort-William.

Letter from Resident at Hyderabad.

Sir:

1. I have had the honour of receiving your despatch of 24th August, with its enclosures, and in obedience to the orders therein contained, I proceed to report, in detail, on the several points noticed in those documents.

2. The substance of Rajah Chundoo Loll's letter to his Excellency the Governor-General seems to be, that in consequence of unfriendly dispositions and want of confidence on my part, and under apprehensions of plots against him on the part of his enemies at this court, he had found it necessary to address his Lordship directly, in order to obtain that protection and support which he did not expect from me.

3. This letter, according to his own explanation, was written at a time when he was persuaded that I had determined on his removal, and that I was countenancing the intrigues of his enemies, the existence of which he seems in his letter to attribute to the notoriety of my unfriendly disposition towards him.

4. It is a strong presumption in my favour against this charge, that no intrigue against him has ever reached the length of an overture to me. If his own account of the perils of his situation, of the enmity of his Sovereign, and the power of his foes, be correct, one would suppose that the least encouragement from me would have caused some advance, from the want of which I venture to claim the conclusion that I have not given any such encouragement. In fact, I never have. It would have been a breach of duty on my part, under the known policy of Government with respect to Rajah Chundoo Loll, which is sufficient, I trust, to prove that I could not have designed it. I can truly add, though it is comparatively of little consequence, that the removal of Chundoo Loll has never formed any part of my wishes. My sentiments on this subject have been repeatedly submitted to his Excellency the Governor-General in Council, as completely as if my heart had been opened and laid before him; and if it were worth while to re-examine them, they would be found, I think, to have been uniformly consistent.

5. For the ostensible purpose, therefore, of the Minister's letter, his Lordship will, I trust, be assured, that its transmission was wholly unnecessary, and its clandestine transmission, without notice to me of any desire on his part to address the Governor-General, without any symptom of dissatisfaction at my conduct, in the midst of assurances and protestations of entire devotion, was surely unfair and objectionable. Yet if he had been imposed on, as he pretends, so far as to believe that I harboured the designs which his imagination ascribed to me, one can scarcely wonder at the result.

6. The Rajah has distinctly stated in his letter, that I have twice during my visits to the Nizam preferred complaints against him, and that it is my intention to visit his Highness in future alone. This statement, as to the facts alleged, is entirely false and unfounded, and with respect to the intention attributed, perfectly gratuitous.

7. I have seen the Nizam five times since I came to Hyderabad—once, when I was introduced, and Mr. Russell took leave, which was entirely an affair of ceremony;

ceremony; once, as described in my letter of the 2d February 1821; once, on taking leave, in April 1821, to go on my first tour; once, in December 1821, which was also a visit of ceremony, between my first and second tour; and once, in June 1822, after my second tour.

8. The only opportunities which I had for any private conversation with the Nizam were the second and third visits, in February and April 1821. If those were the occasions on which I am supposed to have preferred my complaints, I must have commenced them very early and very ineffectually, and been very quiet ever since, which ought to have been rather encouraging than otherwise to the Minister. With the exception of those two occasions, I have had no conversation with the Nizam, otherwise than in the presence of Rajah Chundoo Loll; and my complaints, if preferred, must have been made before the whole court. I am perfectly unconscious of any observations at any of my few visits to the Nizam, which could be distorted by any misrepresentation into complaints against the Minister, and cannot conceive how such a statement can have been hazarded.

9. As to my intention of visiting the Nizam alone, there is little encouragement to form such an intention, and I certainly have not formed it; but I presume, if it were agreeable to his Highness, that it would undoubtedly be the Resident's duty to cultivate an intimate and cordial intercourse with him, and that such a mode of visiting him would be desirable instead of objectionable. If, however, it be the latter, there is very little danger of its taking place; for I could not anticipate any benefit from it under existing circumstances, and should consider any effort of that kind useless. Were it not that the present complaint must be considered as a personal one, I should think it greatly presumptuous, on the part of Chundoo Loll, or any Minister of the Nizam, to object to confidential intercourse between his Highness and the British Representative, in the present state of affairs in India.

10. Rajah Chundoo Loll, in this letter, speaks of communications through Lieutenant Barnett, and of a visit to myself, for the purpose, it would seem from his own explanations, of procuring some assurance of support. I remember the visit and the communications alluded to. Lieutenant Barnett had found him apparently alarmed by reports of successful intrigues on the part of his enemies, and had endeavoured to persuade him that his alarms were ridiculous and unfounded. I did not discover the motives of his visit to me. It was mostly occupied, as far as I can recollect, with trivial conversation. I took advantage of the opportunity to urge him earnestly, but, in my opinion, in no unfriendly manner, to act up to his professions in the management of the country. I particularly remember pointing out to him that open objections could never be blamed, that differences of opinion were natural, and that good would often arise out of discussion, but that a seeming consent, with an underhand counteraction, must always destroy confidence. He admits himself, that he did not, at that visit, expressly state what he wanted, and affects to blame himself for not having done so. For my own part, I was quite unconscious of the importance of that visit, till he chose to ascribe to its result the extraordinary measure which he adopted, of clandestinely addressing a letter of complaint to the Governor-General.

11. It is possible that I may have suffered in the Minister's good will, from the openness with which I have always given him my opinion of his conduct. I have had no reserve with him at any time on this subject, except what courtesy required, and his knowledge of my opinions may have persuaded him that such opinions could not exist without hostile intentions.

12. Since this complaint of want of support came out, I have examined my past conduct, in order to discover what grounds exist for that complaint, and I cannot find any. The Minister is too powerful to need, in general, any actual support; but I recollect one instance, in which he sounded me to ascertain whether or not I would support him. The Nizam, about ten months ago, suddenly resolved to issue some orders directly on his own part to the chiefs of districts, calling for certain accounts and balances. The act was wild and incomprehensible, and some of the orders, I understand, were addressed to chiefs long since dead. The Minister became alarmed, and asked me what he

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he should do, and whether he should resist giving effect to these orders. I recommended him to resist decidedly, and promised him my support, remarking that, as Minister, he could not carry on the management of the country if such interference were admitted. This was supporting him against the Nizam himself, the only point on which I had ever any doubt; but it had escaped my recollection, till recalled by this accusation of want of support.

13. To one of his charges, "want of confidence," I must plead guilty. Real confidence is a tribute which is only due to real virtue, and cannot be forced by any circumstances; but of the want of cheerful and hearty co-operation for any good purpose, I am sure the Minister cannot justly complain.

14. The Minister states, in his letter to his Excellency the Governor-General, that in the settlement of land revenue, I have reduced the annual assessment in the sum of twenty-two lacs, and struck off twelve lacs of balances which were in reality recoverable. What is here so roundly asserted I must as roundly deny.

15. To ascertain exactly whether any, and if any, what reduction has taken place in the realizable annual assessment, it would be necessary to examine on what prior assessment the calculation is made: whether such assessment were proper or exorbitant, realized or not realized, and if realized, whether by extortion and depopulation, or by fair means. It would probably be found, that wherever reduction has taken place, it has followed over-assessment as an unavoidable consequence.

16. There has been a reduction of the nominal assessments in many instances, as in others there has been an increase, the settlement concluded under my instructions being regulated exclusively by the capability of the land. No balances have ever been intentionally remitted which could have been realized without ruin to the people, and in consequence to the Government. The accompanying copy of my instructions for the settlement will shew, that care was taken to preserve unimpaired the rights and interests of the Government.

17. Every settlement of every village was submitted to the Minister, and received his confirmation before it became valid. After having confirmed these settlements as his letter acknowledges, it does not seem candid that he should speak of them in a manner implying objection, especially as, in the same breath, he takes credit for the prospect of restoring ruined districts to cultivation in four or five years, which prospect may fairly be attributed to the principle of equity adopted in the settlements. He has also omitted to mention, that the settlements made under my direction, generally, if not universally, provide for an annual increase of revenue.

18. Another statement made by the Minister is, that he has reduced the charges on account of troops and other disbursements in the amount of forty-one lacs annually. This is represented as if such a reduction had taken place since my arrival at Hyderabad. I wish that I had so much to boast of. In the last estimate, however, of receipts and disbursements, since that event, received from the Minister, the only reductions which appear amount to Rupees 8,91,311, of which Rupees 2,21,615 is on account of reductions in the force commanded by European officers, and may be relied on as a real and permanent reduction. The remaining Rupees 6,69,696 is, I suspect, in part nominal.

19. In taking credit for 41 lacs of reductions, the Minister must have meant to include all that have taken place since the war; and even then, I imagine, little confidence is due to the calculation, however it may appear on paper. One of my endeavours has always been to persuade him to reduce unnecessary expense, but without much success as to any striking result; and the following is an instance of his extraordinary mode of cooperating in that work. He had expressed an inclination to make some reduction in the expense of the force officered by European officers, in which I had concurred. A corps of regular cavalry was in consequence reduced, as being proportionately the most expensive and the least necessary part of the establishment; but after the reduction, the Minister, with unaccountable perverseness, tried to do away all the benefit of that measure, by taking the horses and accoutrements into the city, and there re-entertaining the men.

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20. For the accomplishment of this measure he practised a great deal of ingenuity and duplicity, first sending for a portion of the horses professedly for another purpose, then for their accoutrements, then for another portion of horses, then entertaining the discharged troopers. Had this attempt been unopposed, the purpose of the reduction of the corps would have been foiled, the expense would have continued, and a set of undisciplined ragamuffins would have been substituted for an efficient corps. I remonstrated most strongly against this proceeding, and it was abandoned. It affords no good sample of the Minister's zeal for reduction. It is, however, a real specimen of his ostensible co-operation and underhand counteraction.

21. Towards the end of his letter to his Excellency the Governor-General, Rajah Chundoo Loll observes, that he transmits copies of two papers which he had addressed to my assistant Lieutenant Barnett, to neither of which had he ever received any answer. The same remark is made in the letter to the Private Secretary.—The extreme deceitfulness and want of truth of this assertion will appear, when I turn to those documents and relate their issue.

22. The only remaining part of the Rajah's letter which requires notice, is his representation of his own ready attention to what is proposed to him. To this readiness I have always borne willing testimony, though it is alloyed by secret and underhand counteraction; of which I need go no further than to his own letter to the Most Noble the Governor-General to point out a proof, the whole of that proceeding having been kept studiously from me, at a time when he was ostensibly cooperating, as much as ever, with affected cordiality.

23. On the whole, I trust, it will appear to his Lordship, that the Minister's letter was alike unnecessary and unfair. It can only be accounted for and palliated by adopting his own explanation of it, and ascribing it to a misunderstanding of my disposition towards him, and extreme apprehension of the immediate loss of his power, for measures supposed to be actually in agitation.

24. Had Rajah Chundoo Loll cared ought for his master's benefit or the welfare of the state, he must have been won by my unaffected anxiety for both those objects. But this has been no merit or recommendation: it has rather been a cause of dread in the eyes of a man, who little regards any thing but his own power, and cannot perhaps comprehend or credit the motives which have actuated my conduct. I have never looked on Rajah Chundoo Loll as the Sovereign, nor as other than as the Minister or servant of the state, bound to co-operate for its welfare: I have never considered his individual advantage as the sole or principal object of my attention. At the same time, I have never withheld from him any support that he has needed; and there never has been, and is not now, any apparent want of cordiality between us, nor any obstacle to co-operation from any symptoms of ill-will on either side.

25. I now proceed to notice the contents of the note addressed by Rajah Chundoo Loll to Lieutenant Barnett, of which a copy was transmitted by the Rajah for the information of the Most Noble the Governor-General.

26. It commences with an account of the causes which have produced the devastation and depopulation of the Nizam's territories; from which it would appear that Rajah Chundoo Loll has been continually engaged in repairing the evils inflicted by the mal-administration of his predecessors, and various other causes. It cannot be necessary to follow him through this detail, nor to repeat my opinion of the nature of his rule. Whatever portion of his statement may be admitted to be true, there remains the insurmountable fact, that after an administration of twelve or fourteen years, during which he exercised absolute and undisputed sway, governing a great part of the territory through the agency of his own relations, so ruinous was the deterioration, and so imminent the prospect of dissolution, that the British Government had been compelled to interfere for the salvation of the country, not on my representations, but on those of my predecessor, on the notoriety of facts and by universal acclamation.

27. The second part of this note contains a proposition for paying off the loan due to Messrs. William Palmer and Co. which has been already discussed. With this are joined the praise of Messrs. William Palmer and Co. for their alleged services to the Nizam's Government, and an implied acknowledgment

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that hardship will be inflicted by paying off their loan before a certain period, which was calculated on at the time of its negociation: a plea being thus revived which the Minister had repeatedly denied, and Messrs. William Palmer and Co. themselves destroyed, by acknowledgments made in my presence.

28. The third part of the note is on the subject of our interference; which has been so fully explained elsewhere, that I do not think it necessary to enter again on that subject here.

29. The remainder of this note, and the other two papers completing the packet transmitted to his Excellency the Governor-General, relate chiefly to certain transactions in Kulburga, which require some explanation.

30. Lieutenant Hislop, without any prospect of personal advantage, except the possible one of recommending himself to future advancement, had, with great zeal and public spirit, volunteered his services to assist in the reform of abuses, and had been placed under the orders of Captain Sutherland. Having been detached by that gentleman in the districts of his superintendance, he went into Kulburga, conceiving it to be one of them, which it was intended to be, though it afterwards appeared that the formal order had not been issued, and commenced a village settlement, supposing himself to have authority for that purpose from Captain Sutherland, and the latter to have it from the Nizam's Government. The measure itself was one much wanted, had always been in contemplation, and with the co-operation of the Minister will still be accomplished; but it had not been specifically authorized by him at that time, and he had himself made a loose general settlement of Kulburga, and could not, of course, brook that it should be superseded by any other.

31. When he apprized me of Lieutenant Hislop's proceedings I was surprised, for I was sure that neither Captain Sutherland nor Lieutenant Hislop would act without supposed authority, and yet the Minister declared, that he had never given authority for the settlement of Kulburga. I immediately called on Captain Sutherland for explanation, and it appeared, in the end, that a mistake had been committed. The mistake was remedied, Lieutenant Hislop's settlement was not confirmed, and a new arrangement was agreed on at the Minister's suggestion.

32. I cannot attach any blame either to Captain Sutherland or to Lieutenant Hislop. Both were actuated by most honourable zeal for the successful prosecution of a measure from which they saw great blessings arise, added to a conviction, that they were faithfully performing the duty intrusted to them by the Nizam's Government, and promoting its welfare.

33. An unfortunate mistake was committed, of which the Minister does not seem to have been slack in taking advantage, for the purpose of unfavourable representation, it being judged expedient at that particular moment to lay hold on any thing that would admit of it. But I could scarcely have desired a stronger proof of my readiness to yield to any reasonable objections on his part, than is afforded by the result of that very affair, to which the accompanying correspondence * relates. That result it would have been candid on the part of the Minister to communicate along with the note itself, instead of disingenuously asserting that he had received no answer.

34. There is a distinct charge against Lieutenant Hislop in one of the notes, for putting in confinement the Naib Talookdar, a Government officer of Ferozabad. This is positively denied by Lieutenant Hislop, and remains unconfirmed. I cannot entertain the slightest doubt of Lieutenant Hislop's veracity.

35. The charge against Captain Lee, for asking to see the accounts of collections in two purgunnas, scarcely requires reply. Without access, when requisite, to those accounts, he could not perform his duty of checking extortion and violation of engagements. This objection betrays the real source of the Minister's annoyance at our interference.

36. I return to the long note sent to Lieutenant Barnett, and proceed to narrate what took place regarding it. I may premise, that the ordinary course of business between the Nizam's Government and the Residency is by plain and informal notes, without seal or signature. When the matter of these merely requires

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requires something to be done which can be done, or a short and simple answer, notes are sent in reply; but when they contain any matter fit for discussion, the use of notes drops, and personal discussion supervenes.

37. In consequeuce of my absence from Hyderabad, the correspondence by notes was carried on between the Minister and my Assistants.

38. Lieutenant Barnett received the note in question a few days before my return from my last tour. When he met me at the distance of one or two marches from the Residency, he mentioned that he had received such a note, and described its contents, at which he expressed his surprise, having been engaged in continual intercourse and co-operation with Rajah Chundoo Loll, without hearing from him a syllable on any of the subjects treated of in the note, which had been conveyed to him without preparation or preface, soon after an interview between Rajah Chundoo Loll and Messrs. William Palmer and Co.

39. I instructed Lieutenant Barnett to report on the contents of the note, which he did. It seemed, from the Minister's prior conduct and from the suddenness with which this isolated proceeding was brought forward, that it had been suggested to him, and was. not his own unaided act. The nature of a portion of the contents immediately carried my suspicions towards Messrs. William Palmer and Co., as the instigators of the proceeding, more even than the circumstance, which might have been accidental, of its taking place after an interview between them and the Minister.

40. There was one point, however, which made their concern in it appear improbable. and puzzled me, I acknowledge, at the time, as to their partnership in the production. I allude to the proposal for paying off their loan. They had always seemed to object to such a measure, and I could not account for their giving it their sanction. But further reflection, and a nearer view of their affairs, have converted what was at first a cause of doubt, into the strongest confirmation of my original suspicion. There is no part of that note that brings it home to Messrs. William Palmer and Co., so much as the fallacious proposition for the payment of their loan.

41. On the receipt of Lieutenant Barnett's report on the contents of this note, it became my duty to determine what course I should pursue regarding it.

42. Separating Rajah Chundoo Loll's eulogium on his own merits and those of Messrs. William Palmer and Co., which did not seem to the purpose, for I was not then aware of the predestined use which was to be made of this production, there remained two important points for consideration: The proposition for paying off the loan, and that for getting rid of our interference.

43. The first of these, though not satisfactory in its detail, seemed at the time to meet my own views, generally, for the benefit of the Nizam's Government. It was discussed personally with the Minister, and was duly reported with my remarks, for the information of his Excellency the Governor-General in Council.

44. The other proposition, which had in view the removal of our interference, was of a very different description. If it had any serious meaning, it went the length of requiring that all effectual interference should cease, and matters be put on the footing on which they were in the times of former Residents. It did not confine itself to particular measures that might be remedied, but, in reality, struck at the root of every measure that had been adopted to rescue the country from ruin.

45. To submit such a proposition for the consideration of his Excellency the Governor-General in Council, without an effort to induce the Minister to recede from it, was impossible: I therefore instructed Lieutenant Barnett to use those arguments with the Minister, which appeared to me to evince irresistibly, both the necessity of our continued interference and the propriety of the precise measures which had been adopted. Lieutenant Barnett reported, in reply, that the Minister professed himself convinced by my arguments, and declared that he entertained no apprehensions, as long as our interference in affairs might be under my guidance. Lieutenant Barnett's report on the note, my instructions thereon,

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thereon, and his letter communicating the result, are herewith transmittted in copy. *

46. I had myself also an opportunity of discussing the matter with Chundoo Loll personally, and the extreme facility and carelessness with which he treated it, satisfied me, at the time, that he had been instigated by others in preparing that note, and was himself sensible of the absurdity of commencing a groundless and untenable opposition to our interference. As a matter, on the part of the Minister, to be submitted for the consideration of the Most Noble the Governor-General in Council, the proposition therefore ceased to have existence, from the readiness with which it had been withdrawn.

47. The general question of our interference could, of itself, be no subject for reference to his Excellency the Governor-General in Council. His Lordship's instructions had directed the Resident to turn his attention to "a salutary control "over the internal administration of the country, accurate accounts of all esta- "blishments, receipts, and expenditures, a proper distribution of justice, the "reduction of expense, the amelioration of the revenue system, including the cus- "toms and duties levied on commerce, the improvement of resources, the extinc- "tion of debt, the efficiency of troops retained, and the discharge of such as are "useless". Were I to specify from among these objects what I have, and what I have not interfered in, I should have to apologize for neglect of duty in not interfering more efficiently.

48. The mode, also, of the interference which I have exercised, as well as the object to which it has been principally directed, were described as far back as the 2d February 1821. In a despatch of that date I wrote as follows. "To "insist on good faith being kept by Government and its agents with the cultiva- "tors with regard to all engagements; to take care that Government and its "agents do not exact more than the acknowledged rights of the Government; "these are objects, the successful accomplishment of which would go far "towards the restoration of prosperity, and for which I shall never hesitate to "exercise direct interference in every part of the country, for without it they "would never be accomplished." Your letter of the 7th April, in reply to one of 20th March, was an assurance, that what I had proposed up to that period had been entirely approved. The detail of my intentions was subsequently reported; and I have never, in fact, gone farther, if so far, as I stated to be in my contemplation on the 2d February and 20th March 1821.

49. As the nomination of Captains Campbell and Lee to assist in the work of reform is mentioned in the Minister's note, it is proper to explain that their appointment, which had previously taken place with his concurrence, was not a measure of a new character. It was merely the extension to districts which had recently come under my inspection, of the same check which had before been established in other parts of the Nizam's dominions, in some instances from a period antecedent to my arrival, for the purpose of preventing oppression, extortion, and heinous criminality. A copy of the general instructions † under which officers act who are so employed is enclosed; and those since issued, from time to time, according to circumstances, have tended still more towards the restriction of our interposition. In no part of the country was such a check more loudly called for, than in the districts to which Captain Campbell was deputed.

50. Any objection to his nomination, or that of Captain Lee, if it had been particularly meant, but I did not so understand the mention of those measures, must have been equally valid with respect to all former arrangements, and if admitted, would have put an end to all effectual interference on our part. There was, however, one particularity in Captain Campbell's nomination, which may have led to its mention in this note. He was deputed to districts on which Messrs. William Palmer and Co. had their principal assignments, and the measure may not have been relished by them.

51. There being no proposition to submit on the part of the Minister, and no question for reference to his Excellency the Governor-General in Council, it only remained to consider, whether or not it was necessary to report on this note for his Lordship's information.

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52. I had not been in the habit of reporting the daily details of my proceedings. Hundreds of these informal notes, on all sorts of subjects, trivial or important, had passed between the Minister and the Residency, without my having noticed any one of them in particular; it would, therefore, have been a departure from my usual course, had I made any detailed mention of this one. Nevertheless, as it was a singular production, and contained the only symptom that had occurred of an avowed desire, on the part of the Minister, to throw off the interference which had been found necessary, it was sufficiently remarkable, and I should have thought it a fit subject for notice, had it not been that I must, at the same time, have communicated my suspicions as to its origin, which would have led me into representations respecting Messrs. William Palmer and Co., which I have ever been anxious to avoid.

53. Had I been aware of the purpose for which that production had been prepared, self-defence might have overcome my reluctance to comment on the conduct of others; but not having at that time the most distant suspicion that the said document had an ulterior destination, I felt myself at liberty to exercise my discretion regarding it: it was, therefore, consigned to the companionship of its multitudinous fellows, and ceased to be thought of; or if ever a thought recurred, it was one of transient wonderment, as to what had been intended by that unaccountable proceeding..

54. My attention, however, was again called more particularly to that document by the seventh paragraph of your despatch of the 19th July. I then, for the first time, perused the original note thoroughly and carefully, having previously contented myself with Lieutenant Barnett's report of its substance, and with looking at particular parts. I completed that perusal with a perfect conviction that this note, which had manifestly been got up with great cleverness and design, either had been made use of, or was to be made use of, for some purpose in which Messrs. William Palmer and Co. took an interest.

55. It was manifest, that the paper had not been written for my perusal. The sentiments which it contained the Minister could never seriously have addressed to me. He would have laughed with me at some of them in private conversation, and knew my sentiments on all of them too well, to expect that they could produce the effect aimed at on me. It was evidently written for effect in another place: it sounded the praises of Rajah Chundoo Loll and Messrs. William Palmer and Co.; it claimed merit for the former as a wise and considerate ruler, and for the latter as benefactors of the state. It sought the removal of the interference which checks extortion, and proposed a plan for obtaining an advance of money from the British Government, the execution of which would have been peculiarly advantageous to Messrs. William Palmer and Co.; advantageous also to the Minister, as relieving him from immediate pressure; but of little, if any, permanent benefit to the state. It was the boldest attempt yet hazarded, to make the British Government subservient to the interests of Messrs. William Palmer and Co.

56. The document then, of course, acquired much greater importance in my eyes, than it had ever before possessed, and I might have then submitted it for the cognizance of his Excellency in Council; but I was sure that, for any purpose of defensive precaution, it was too late, and for any purpose of information unnecessary; and as no other grounds existed, more than before, for its transmission, I determined to await the explosion of the intrigue, which I was then satisfied was in progress.

57. About the same time there was an activity in the intercourse between Messrs. William Palmer and Co. more than was necessary for their money purposes, and a bustle and buzz, which indicated that some uncommon matter was in agitation. It was whispered in the European society, on the alleged authority of Sir William Rumbold, that his Excellency, the Governor-General in Council, was highly displeased with my proceedings, and that he, Sir William Rumbold, fully expected that I should be dismissed. Reports of this nature, combined with various circumstances, strongly impressed on my mind a conviction of the existence of a conspiracy considerably advanced, having for its object to ruin me in his Lordship's estimation, though I could not exactly see what shape it would take.

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58. When, therefore, I received intelligence from Calcutta, through a friend with whom Mr. John Palmer had communicated, of the arrival of Rajah Chundoo Loll's packet to the Most Noble the Governor General, sent through Mr. William Palmer, I was not in the least degree surprised, although I had not been previously aware that the Minister had engaged so deeply in the plot.

59. A want of connexion is, I think, apparent between the Minister's letters and the other papers which accompanied them; and the impression on my mind is, that they severally belong to separate proceedings, or rather, that the Minister's letter was supplementary to the other, which had previously been in the possession of Messrs. William Palmer and Co. I conjecture that it was at first intended to make use of the note to Lieutenant Barnett, but afterwards discovered that nothing could be done without a direct representation from the Minister. Thence the letter, which the Minister says was an act of desperation, under the impulse of his fears of loss of power by my means. But he must have been much worked on to produce such an unfounded belief of my hostility, and must have been persuaded to expect some signal effect from his representation, else he would not have ventured on that proceeding. If I comprehend his character rightly, he would not have taken that step without the strongest encouragement.

60. The note to Lieutenant Barnett was prepared before the orders of the Court of Directors arrived for the termination of the Aurungabad arrangement. In that note, for whatever purpose got up, there is no personal attack on me. But the Minister's letter was after the execution of those orders, and is a very personal attack on me. The Minister did not object to the termination of the Aurungabad arrangement. He professed to be delighted at it: but Messrs. William Palmer and Co. chose to consider my conduct on that occasion, in carrying into effect the orders which I had received, as particularly inimical; and I can imagine that, from that time, they declared war against me in their own conclave.

61. Another circumstance, also, occurred about the same time, which may have given offence. On my return from my last tour, it was reported to me that the shop-keepers of the Residency bazars complained that they were about to be ruined, as the Government took heavier duties from them than were taken in a new bazar erected in Sir William Rumbold's grounds, close to the Residency bazars, and commonly called after that gentleman's name, though by himself, I understand, denominated Maharaj Gung, in compliment to the Minister. On application to the Minister for information on this point, he avowed that he had allowed this new bazar to be erected for Sir William Rumbold's convenience (how requisite for convenience did not appear, considering the vicinity of other bazars), but pretended that the duties levied were the same as in the neighbouring bazars. This, however, was proved to be false. I had no occasion to trouble myself about the bazar, or Sir William Rumbold's motives for setting up a market in his private grounds; but I considered it to be my duty to require of the Minister, that the duties levied there should be equalized with those of the old established bazars, in order that the dealers in the latter might not be ruined. I also recommended, as the Minister adopted the new bazar as his own, that the officers controlling it should be the servants of Government, and not, as was then the case, of Sir William Rumbold. The equalization of the duties was effected after much hesitation and delay. The change of officers, I was told, took place, but I have not attended to that matter since. In my recommendation on that point, I thought it necessary to assert the principle; but from the existence of the bazar in its present situation, for whatever purpose, it is quite clear that officers appointed by the Minister will be as much under Sir William Rumbold's orders as his own servants.

62. I speak of the participation of Messrs. William Palmer and Co. in the Minister's attack on me according to my own conviction. That participation is, perhaps, not susceptible, at present at least, of positive proof; and if I intended to found on it any charge against those gentlemen, I should hesitate to bring it forward on merely presumptive evidence. But it is necessary that the impressions on my mind should be stated, with a view to explain my own conduct,

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it being of course incumbent on me not to adopt any impressions lightly. It is solely with that view, that I have alluded to the apparent combination between the Minister and Messrs. William Palmer and Co.; and it is with the same that I now proceed to unpleasant details, tending to elucidate the cause of that combination.

63. Messrs. William Palmer and Co. possess and exercise in this country an extraordinary power, which has no connection with their commercial character. It arises from a supposition of their possessing influence in the British Government, and is confirmed by the peculiar character of the Minister, Chundoo Loll.

64. Of the accuracy of this position I have not the least doubt; but I know not that I can establish the same conviction at a distance by any representation. It comes, however, to my understanding continually, by what I see and hear, and am sensible of in this quarter; but it is impossible to embody in description the mass of evidence on which it is formed. Much passes away and is forgotten, though it leaves its effect; much is too trivial to be noticed individually, though each particular helps to make the aggregate. The striking instances which are in recollection, and may be adduced, will perhaps convey but a faint idea of the impressions necessarily caused by the whole.

65. The character and views of Rajah Chundoo Loll have the greatest weight in producing this power. His political life has passed in endeavours to maintain his place. He looks chiefly to the British Government for this purpose, and he thinks that Messrs. William Palmer and Co. may befriend or injure him, through their supposed influence in that quarter.

66. Of this feeling on his part as to their influence, I can adduce some instances. When I communicated with him, in March 1821, on the plan which I submitted to his Excellency the Governor-General in Council for paying off the loan of Messrs. William Palmer and Co., he cautioned me not to let them know any thing about it, as they would write to Calcutta, and prevent its taking effect. On my pointing out to him that, in justice to them, they ought to know of it in the first instance, he still adhered to his belief that they would prevent its accomplishment, and I could not reason him out of that belief.

67. The actual failure of my proposition confirmed him in his notion. When he repeatedly inquired concerning its fate, I could only tell him that I had received no answer, but supposed that it was under consideration. He used to look significantly, and say, that I might be assured it was rejected. However falsely and erroneously, he derived from the failure of that plan a confirmation of his opinion of their influence.

68. When the orders came for the termination of the Aurungabad arrangement, he again desired me not to mention them to Messrs. William Palmer and Co., till he had completed his plans for paying the troops; and on my again pointing out the necessity and propriety of an immediate communication to them, he reminded me of what had passed before, and plumed himself on his foresight in cautioning me on the former occasion, taking credit for the result, as if it were proof of the accuracy of his conception.

69. He has repeatedly informed me, that neither the loan from Messrs. William Palmer and Co., nor the arrangement with them for paying the Berar troops, ever had his cordial assent, for that he did not think either advantageous for the Nizam's Government. On being questioned as to the cause of his agreeing to measures which he thought injurious, he has alleged, that he yielded to power which he could not withstand; and on being further pressed, has wrapped himself up in mystery, saying that the real state of the case could be no secret to me, or that all would come out in time, but that he could not disclose.

70. A blood-relation of the Minister had charge of rich districts, in which he committed great extortion. He had been nominated, it was said, at the recommendation of Messrs. William Palmer and Co.; and on his nomination had been presented to the late Resident, I have been told, by Sir William Rumbold. They had large assignments on his districts, and were supposed to be intimately connected with him. At length he was removed, on account of his extortions.

I had

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I had repeatedly recommended the measure, but it did not take place till it was understood that he had quarrelled with Messrs. William Palmer and Co. I had always supposed that the Minister was partial to this man on account of relationship, but he now disavows any partiality, reprobates his extortions, says that he was his enemy, and alleges, as his only reason for formerly heaping favours on him, and intrusting to him the charge of extensive districts, that this relation had made interest with Sir William Rumbold to turn out him (Chundoo Loll), and get himself made Minister in his room, and was very near succeeding, and that therefore it was necessary to conciliate him.

71. I need not remark on the insincerity and duplicity of Chundoo Loll. What he says to-day, he would not scruple to contradict to-morrow, and it is not possible to fix him to any point from which he wishes to make his escape. It is not, therefore, so much on what he says, as on what I see done, that my conviction of his belief of the influence of Messrs. William Palmer and Co. is founded.

72. They derive from his support power and authority which no other merchants possess, and which no merchants ought to possess. They send their badged Chuprassees about the country, with as much effect as if they were Government officers. I have known one of their servants, of this description, employed in levying on a whole village the amount of a debt, not originally due to them, which the right owner had no hope of obtaining, and had therefore transferred to them, or had engaged them to realize on terms agreed on between them; the Chuprassees levying something additional for his own profit, and the village submitting to all, as if he had been the collector on the part of the Government. In fact, Messrs. William Palmer and Co., favoured as they are by the Minister, act with the double force of the authority of the Nizam's Government and the influence of the British name.

73. Complaints have reached me of exactions of the same nature as in the instance above described, which happened to fall under my own observation, and I had reason to suppose, from what I heard at the same time, that it was not a singular one.

74. I have heard of two of their Chuprassees being stationed about the person of one of the first nobles of this state, for his protection against all demands but their own; and of the employment, by that very noble, of one of those Chuprassees to exact payment of a demand from one of his own relatives, who would not yield it to less power than that of Messrs. William Palmer and Co.

75. I have seen the jagheers of one of the first nobles of the state seized and sequestered, as they still remain, for the payment of his debt to them. I see no impropriety in this; but it would not have been done for any other merchants in the land.

76. I do not mean to accuse Messrs. William Palmer and Co. of making an unfair use of their power: they may exercise it perhaps with great moderation; but it is a power which does not properly belong to merchants, and ought not to be entrusted to persons who have only their own interests to regard.

77. The notion of their having a strong influence in the British Government is not confined to Rajah Chundoo Loll, and the belief of the exertion of that influence in his favour is very prevalent. It is a common report, that he is persuaded by them that he holds his place by their protection.

78. One native gentleman, who pretends to have access to the privacy of Rajah Chundoo Loll's house, has informed me, spontaneously, positively and repeatedly, that he had heard Mr. William Palmer declare to Rajah Chundoo Loll, that I should have accomplished his (the Minister's) removal, if they (Messrs. William Palmer and Co.) had not written to Calcutta and prevented it. I mention this, as a proof of the existence of this prevalent notion. I am not inclined to believe the story, though I know not what good the gentleman could have proposed to himself in the invention. Still I am not disposed to credit it, because I would not pin my faith to the assertion of any native gentleman,

man, and find it difficult to credit that Mr. William Palmer would so commit himself.

79. That the Minister is persuaded of their having influence, and of its operating in his favour, I have no doubt, but I am inclined to suppose that they must allow their native agents to work that impression, and cannot themselves directly hazard such unfounded assertions; but that they are willing to take advantage of the impression, I must infer, from all that passes under my observation.

80. I was once informed, that on my first arrival, Bunketty Doss, the native partner of the house of Messrs. William Palmer and Co., had given out, that I had been appointed Resident on the recommendation of Mr. William Palmer.

81. Another native gentleman one day asked me, whether the Nizam's Government had not formerly a Vackeel in Calcutta. I answered in the affirmative. He then asked, whether there was any there now. I replied, that I rather thought not. He next added, that it was reported that Sir William Rumbold acted as agent for the Nizam's Government with the British Government. "Ufwah hy ki Rumbold Sahib is Surkar kee Wikahit wahan Kurta "Governor-General Sahib ke eehan."

82. Another native gentleman, who was so kind as to patronize my welfare, gravely advised me, after some trepidation in bringing forth his counsel, to procure a letter in my favour from his Highness the Nizam to his Excellency the Governor-General, suggesting that it might be useful to counteract some design on the part of other persons, which he would scarcely venture to hint at.

83. The unfortunate nephew of Uhmed Buksh Khan, Neeaz Bahadoor Khan, who was killed in the late disturbance, asked me whether the house of Messrs. William Palmer and Co. was established here on the part of the Company; and on my answering in the negative, expressed his wonder at their power and influence, adding, that it had reached its present pitch since the junction of Sir William Rumbold, and had been on a different footing before.

84. By the common people throughout the country, the house is identified with the British Government, and the revenues which are poured into their coffers are considered as so much tribute to our treasury.

85. I have sometimes found difficulty in persuading strangers that Messrs. William Palmer and Co. do not actually govern a great portion of the Nizam's dominions. Such is the notion to which their manifest influence, and the large assignments possessed by them on the revenues, have not uncommonly given rise. I believe that, in this respect, they exercised formerly a more direct influence than now. I have understood that, heretofore, they were more in the habit of recommending the nomination of the officers of Government in the provinces. I do not know that they exercise this privilege at present: it has not at least forced itself on my notice.

86. In describing circumstances as related to me respecting the supposed influence of Messrs. William Palmer and Co., I beg that I may not be understood as relying much on the truth of such relations. They must always be received with caution; but as I do not go in search of them, and as they force themselves on me from various quarters, they certainly assist in producing the conviction which I entertain and have expressed on this subject.

87. Some reports I suppress, as unfit to be mentioned without proof of their veracity; and other circumstances I pass by, as being personal, or too trivial for a grave report, though nevertheless characteristic of what I have attempted to describe.

88. I have also reason to believe, that Messrs. William Palmer and Co. take advantage of the known opinion of their supposed influence, and that they sometimes use strong, and even threatening language, to carry their objects with the Minister. They make ample use of native agency, and one of the persons notoriously employed between them and the Minister is the head of the court of justice in the city of Hyderabad; an extraordinary person to be also

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the agent of this commercial firm. It is reported, that he was appointed to his judicial station by their influence; and whether the report be true or false, the effect in their favour must be nearly the same. He is not their only agent, and I am disposed to think that they obtain more influence over the Minister through native agents than they otherwise could; for these, with all the zeal inspired by self-interest, and with a perfect knowledge of the Minister's character, would have no scruple to work on his weaknesses, by any falsehoods suited to their purpose, unknown perhaps to their own employers.

89. There are even symptoms occasionally of Messrs. William Palmer and Co.'s presuming on the possession of the influence ascribed to them. Sir William Rumbold once let fall, above a year ago, either designedly or incautiously, not however in my hearing, that if I would not agree to any measures for their accommodation, they must come to issue with me. How Messrs. William Palmer and Co were to come to issue with the Representative of the British Government, when they were pursuing their own interests and he was protecting those of the public, I did not at first comprehend; but the menace is now intelligible. The transmission of complaints against me, on the part of the Nizam's Minister, is a full explanation of that text.

90. I understand, from good authority, that Mr. William Palmer in forwarding the Minister's letters, pretended that he did so as a subject of the Nizam's Government, bound to attend to its wishes. This plea was disingenuous, and might be termed ungrateful, as throwing off, for an unworthy purpose, the Sovereignty of the British Government, to which he owes every thing. Is it as the son of General Palmer, the distinguished servant of the Honourable Company, or as the brother of Mr. John Palmer, the eminent British merchant, or as the partner of Sir William Rumbold, that Mr. William Palmer pretends to be a subject of the Nizam? Is it because he resides and carries on his concerns under the protection of the British Residency and the British flag, that he affects to be bound to aid the Nizam's Minister in an attack on the British Representative, with a view to shake off British interference? If Mr. William Palmer were, in any real sense, a subject of the Nizam's Government, his thumbs would have been brought to the screw before now, to extract from him some of that wealth which, owing to British blood, British education, British connections, and British influence, he has drawn in such copious streams from the Nizam's country.

91. This plea was, I suppose, set up, in order to disguise the connection of Messrs. William Palmer and Co. in the transaction; but the flimsy veil appears to me to render more glaring their combination with the Minister in this intrigue, if not their instigation of it. The tutoring which the Minister had evidently undergone on this point, when I conversed with him on the transmission of his letters to Calcutta, confirms this opinion; for the distinction between Mr. William Palmer and Messrs. William Palmer and Co., is not one which could naturally and spontaneously have suggested itself to his mind. But this question is set at rest by the fact, that all the European partners of the firm went to the Minister, to announce the reception of his letters by his Excellency the Governor-General.

92. In the third paragraph of your letter of the 24th ultimo, I am desired to report the date on which I communicated to Rajah Chundoo Loll the particulars of the disposition of the Honourable Court towards the firm of Messrs. William Palmer and Co., as directed by the instructions which were despatched to me by an express of the 17th July, specifying the terms used by me in that communication.

93. The date on which the communication directed by that express was made, must have been the 30th or 31st July, or thereabouts, for it was immediately after the receipt of the express, *i. e.* the next day or the day after; and the terms were as nearly as possible those of your letter, for Lieutenant Barnett took the letter with him to the Minister's house, in order that his explanation of the orders might be accurate.

94. I explained, in my letter of the 29th July, that no exhortation on my part was necessary to induce Chundoo Loll to treat Messrs. William Palmer and Co. with

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with every consideration. Subsequent events must, I think, have confirmed the truth of that remark, by shewing the combination between those parties.

95. Soon after the period above-mentioned your letter arrived, announcing the disposition of his Excellency the Governor-General in Council to entertain the Minister's proposition for paying off the loan of Messrs. William Palmer and Co. The effect was very striking. It seemed to throw him more than ever into their arms. As if knowing it to be their own scheme, he attributed the speedy attention which it had obtained, compared with the neglect of my original proposition, to their influence, instead of the right cause. From that time their power with him has exceeded all former bounds.

96. I fear that Messrs. William Palmer and Co. must have succeeded in conveying to the mind of his Excellency the Governor-General in Council some impression of their not receiving proper support from me. The details of this letter will, I trust, amply evince that they do not require my support. Their power here is far above it: they have never, indeed, sought it. Their proposal, that I should suspend in their favour the execution of the orders which I had received, is the only instance that I at present recollect of any application whatever to me on their part. They know that they can act without any local aid, and their policy has been, since I became acquainted with them, not to rely on the support of the Resident, but to obtain a support above that of the Resident. If they had any need of my assistance for any reasonable purpose, it should not be withheld; but, at present, they are far above requiring it, and would think it a loss of consequnce to be reduced to the necessity of applying for it.

97. Messrs. William Palmer and Co. have been pleased to consider me as hostile to their interests, in which they have done me great injustice. Had they considered me as zealous for the interests of the Nizam's Government, they would have been right; and if these several interests cannot accord, the fault is not mine.

98. When I came to Hyderabad, two of the European partners of the firm were my personal friends. Mr. William Palmer, though personally a stranger, was the brother of a very intimate friend: I had therefore personally, in addition to other reasons, every disposition favourable towards them.

99. When I came to examine the Nizam's affairs, I found that the interests of Messrs. William Palmer and Co. stood in the way of the prosperity of the State; I therefore proposed a remedy, on terms which appeared to me just and liberal. The public good was the object of that proposition, but their interests were not neglected. I would take themselves as judges on this point. They could not hesitate to acknowledge, allowance being made for my ignorance of those transactions which were kept in the back ground, as privately they have acknowledged, that the terms of my proposition were very advantageous for them. Yet, unaccountably, from that period I have been held by them to be their mortal foe, and they have credited all sorts of reports of my enmity.

100. My friend, the Minister, once informed me, that up to that period they used to speak highly of me, but since have used another strain, and have been constantly at work in their own way against me, for the purpose of maintaining the profits of their connection with the Government.

101. If to have a regard for the public interests entrusted to my care be enmity, then am I their enemy: if to hold myself at liberty to propose whatever seems good for the public welfare of the state be hostility, then am I hostile; and herein it is that I think them most unreasonable. Had they been content to exert themselves for their own interests, which was natural, and allowed me, without reproach, to look to those of the state, which was my duty, both parties would have been in their proper places, whatever might have been the result. But this would not satisfy them. They required that the Representative of the British Government should be their tool, and that both the British Government and the Nizam's Government should be made subservient to their profit. On the other hand, I have considered it my duty to consult the interests of the Government, and to propose whatever might tend to its benefit. This constitutes my offence.

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102. From the beginning of April 1821 to the latter end of June 1822, I awaited the result of my proposition regarding the loan, and did not once, I think, renew the mention of their affairs. They pursued their course without impediment or interference on my part, and I only claimed the right of pursuing mine with respect to the public interests.

103. About the last-mentioned period it was forced on my notice, that very little, if any, of their sixty lac loan had been paid off, and that there was another account running on at a higher rate of interest than that of the said loan. I reported the circumstance, with reference only to its effect in the Nizam's affairs, as in duty bound. Such, up to that period, was the extent of my presumed hostility towards the house.

104. The orders regarding the Aurungabad arrangement came soon after, and my execution of those orders seems to have been considered as the climax of enmity.

105. Whatever may be the opinion of Messrs. William Palmer and Co. on this subject, I should not, on that account, obtrude these remarks on the notice of the Most Noble the Governor-General in Council, were I not aware that those gentlemen have represented me as acting on motives of hostility, with a view to their injury and ruin, and were I not also sorrowfully sensible, that the tone of parts of your communications regarding their affairs implies some kind of distrust.

106. I entertain no feeling whatever of hostility towards those gentlemen, no desire whatever that they should be injured: I utterly disclaim such unworthy motives. I beg you also to assure his Excellency the Governor-General in Council, that I consider a faithful obedience to his Lordship's orders as the first of my duties. It is for me to report, for his Lordship to command, and for me again to execute what he may be pleased to ordain.

107. If I am not mistaken, in ascribing to Messrs. William Palmer and Co. a degree of influence at this court which is unsuited to their commercial character, it must become a subject of serious deliberation, whether that influence should be continued or subdued, or allowed to take its course without interference. I renounce all personal interest in this question. I can conform myself to the pleasure of his Excellency the Governor-General in Council, whatever it may be; or if ever the influence of Messrs. William Palmer and Co. at this court should so predominate, as by rendering my services totally inefficient to become personally insufferable, there would be an obvious remedy, which public duty and justice towards myself would point out.

108. If it be considered desirable, as an object of public interest, that the influence which they have acquired should be subdued or reduced, that object would, I think, be most effectually accomplished, by aiding the Nizam's Government to pay off all that it owes to them, by prohibiting any further transactions between them, except such as eventually may be clearly beneficial for the Nizam's Government, and by placing their intercourse with the Government under the control of the Resident, on the same footing with that of the rest of the European community.

109. Supposing it to be impossible to aid the Nizam's Government to the extent of terminating its connection with Messrs. William Palmer and Co., the next best course, it appears to me, would be to place all their future communications under the control of the Resident, and to make him the channel of all demands and transactions.

110. Or, if this be objectionable, the Resident might be desired to intimate to the Nizam's Government, that he would not exercise any interference whatever in its transactions with Messrs. William Palmer and Co., and that the British Government would not take any interest therein. I cannot distinctly foresee the most probable consequence of this arrangement. Supposing the debt to go on without aid from our Government to diminish its actual amount, the most probable consequence would be the ruin of Messrs. William Palmer and Co., if the Nizam's Government really felt that they were at its mercy. On the other hand, if they could contrive to maintain the existing opinion of their powerful

powerful influence, the most probable consequence would be the ruin of the Nizam's Government.

111. If it were considered desirable to uphold the influence of Messrs. William Palmer and Co., and due to them to consider their particular advantage, the most effectual mode would be to accede to the Minister's first proposition, which I consider as their own, for the pretended liquidation of their loan, to advance thirty-five lacs on the mortgage of the peshcush, to trust to the Minister for finding thirty more if he could, and to leave their intercourse with them on its present unrestricted footing. By the receipt of thirty-five lacs, they would be able to discharge all disadvantageous obligations, they would obtain the complete command of the money-market, they would effect another purpose which they are supposed to have in view requiring ready cash, they would not have much to apprehend from a too early payment of the Minister's thirty lacs, and in any event they would keep a good hold on the Government, with their twenty-five per cent. account running on triumphantly.

112. Whether, therefore, I consider the permanent advantage of the Nizam's Government, or the desirable object, if it be of any public importance, of subduing the unnatural influence acquired by Messrs. William Palmer and Co., I am bound to submit my opinion, that a complete emancipation of the Government from its connexion with that house would be the most effectual, if not the only mode of attaining those objects. If any admitted obligations were left undischarged, the door would remain open for the continuance of every thing that may be deemed objectionable in the intercourse of that establishment with the Government, unless that intercourse were placed strictly under the controul of the Resident.

113. The worst that could befall Messrs. William Palmer and Co., in the case supposed of discharging all their acknowledged demands, would be the division of the large profits arising out of their transactions with the Nizam's Government. But it would be optional with them to continue to carry on extensive business; and I have no doubt that some of them, at least, would adopt the latter course, in which no one would lament their success, when not attained by the sacrifice of public interests.

114. The Most Noble the Governor-General's letter has been delivered to Rajah Chundoo Loll. After reading it, he merely remarked that the contents were such as he had expected.

115. He took that opportunity of again desiring, with apparent earnestness, that I would endeavour to expedite the payment of the debts due to Messrs. William Palmer and Co., and said, that until he had entirely got rid of that concern, he never should enjoy peace or quiet.

116. The contrarieties in the conduct of this Minister will probably excite surprise: to me, from local knowledge, they are easily explicable. He has been led to believe, that there is a contest between the Resident and Messrs William Palmer and Co., and he does not know which party will predominate. His sole care is for his own security in power, and he would willingly side with the strongest, if he could ascertain which that would be. Independently of this, clearance of debt would no doubt be a great relief, for otherwise he must soon be overloaded with embarrassments.

117. I now bring to a close this doubly painful task: painful from finding myself under the necessity of answering to complaints, however unfounded; still more painful, from being forced, in self-defence, to notice reproachfully the conduct of others.

118. On this point I beg leave to repeat, that whatever mention I may have been led to make of the conduct of Messrs. William Palmer and Co. and the individuals of that firm, has been with the greatest reluctance, and solely with a view to explain the extraordinary nature of the situation in which I have found myself placed.

119. If his Excellency the Governor-General in Council be satisfied with my conduct, my only object in the present representation will be gained. In that

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case, I should wish to withdraw every sentence that can be considered as injurious to Messrs. William Palmer and Co. My desire respecting that firm has always been, and still is, to vindicate the interests of the Nizam's Government, without advancing any accusatory statements; for of these I do not see any necessity or utility, for any public purpose. My object is not to draw down blame on them, but to rescue the finances of this Government from impending ruin, and, in the present instance, to defend my own character.

120. With respect to the unfounded complaints and misrepresentations of Rajah Chundoo Loll, I rely for my protection on the support which his Excellency the Governor-General in Council will, I am sure, accord to a public Representative, who has laboured honestly to carry his Lordship's views and instructions into effect. For myself, in every other respect, I need and solicit his Lordship's indulgence. I am conscious of abundant faultiness, but it is neither in design nor disposition. Many might perform the duties of my situation more ably and more successfully, but none, I believe, could work with a more sincere desire to promote the public good.

I have, &c.

Hyderabad,
30th Sept. 1822.

(Signed) C. T. METCALFE,
Resident.

Postscript.—It occurs to me, that there is an expression in the translation of Rajah Chundoo Loll's note to Lieutenant Barnett which requires some notice on my part. It is as follows:—"I expend the whole produce of the half anna "(per centage) and profits on the enrolling of horsemen, which are the emolu- "ments of my office, in charitable donations, for the benefit of the Represen- "tative of the British Government (or it may be his Highness) and of my own "soul." The words in the original, which are rendered in the translation as possibly relating to the Representative of the British Government, are *khoda-wund-i niamut;* which when used at this court by the Minister without a more pointed reference, apply exclusively to his sovereign lord and master the Nizam. The charitable donations alluded to are periodical distributions to idle and worthless vagabonds of the place, without discrimination. Immense sums of the state revenue are supposed to have been wasted in this manner, with a view to acquire popularity for the Minister. If his soul has derived any benefit from these unjust squanderings, it may be considered as the sole benefit they have produced: they have, in other respects, tended to create evil, and his Highness the Nizam has derived no advantage whatever from them. I am happy to say, that this wanton wastefulness is said of late to have much abated, more from necessity, I believe, than from my remonstrances. If, therefore, the Minister's representation of the resources from which it has been supplied be correct, his personal funds should be accumulating: which I fear is not the case, for I have never heard him accused of hoarding. He knows better what he himself does with the wealth of deceased or discharged public servants, than to accumulate for the benefit of his official successor. The money, therefore, that he obtains, by whatever means, either goes to the necessities of the state, or is applied for the preservation of his own power. He is obedient to the old oracle, and fights with silver weapons in order to conquer all; and this is the history of his donations for the benefit of the Nizam and his own soul, in which I imagine he has never paused, to consider whether they came from his own allowances or the public revenue, both being alike at his disposal without controul, as he has never been called to account for the latter during the whole period of his long administration, unless the statements of present disbursements, moulded at his pleasure, which he has been required to furnish since my arrival, be deemed exceptions. I beg leave to apologize for the length of this post-script; but if I were to allow myself to notice every sentence of the Minister's note, there is scarcely one which might not furnish matter for a volume.

(Signed) C. T. METCALFE,
Resident.

No. 1.

No. 1.—*Circular, to Officers employed on Settlement Duty.*

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Enclosure No. 1 in Resident's Letter.

To Captain Seyer, &c. &c. &c.

Sir:

1. It being in contemplation to effect a general settlement of the land revenue of the Nizam's territories for a term of years, it has been determined that the superintendence of that work in the districts bordering on Ellichpore, including the country from the eastern to the western boundary of the Nizam's dominions in that quarter, and from the northern boundary to any line southward that you may think most convenient, shall be confided to you, under a firm reliance that your zeal and public spirit will induce you cheerfully to undertake the task.

2. The principal object of this measure is, by defining and fixing the demands of the Government, to preserve the people from oppressions and extortions.

3. United with this object, it must, of course, be an important part of our duty, to secure the due revenue and just rights of the Government.

4. I now proceed to convey to you such instructions and observations as at present occur to me on this interesting subject.

5. It appears to me to be generally most expedient, that the engagements fixing the amount of the revenue should be negotiated and concluded with the Patels or Mocuddims of villages, acting on the part of their respective village communities.

6. The arrangement may be so effected, I understand, in many parts of the Nizam's territories, and especially in Berar; but I am informed, that in some parts the settlement cannot be conducted with the Patels and Mocuddims of villages, and that therein the rights and influence of the Desmooks or Zemindars of districts prevail, so as to render it necessary to negotiate and conclude the arrangement with them.

7. Where this may be the case, it may be so done; but then provision must be made for securing, that the principle of defining the demand on the cultivators or ryots be not violated by the Desmooks or Zemindars, and that these give cowls or pottahs to the Patels and Mocuddims, or to the ryots, as the practice of the district may be, fixing and limiting the amount to be levied on them, for the term of years proposed.

8. It would do but partial good to fix the amount leviable by Government from the Desmooks, &c., were we to allow them, or any other intermediate class, to carry on indefinite extortions against the village communities or cultivators.

9. In like manner, when the settlements are made with the Patels or Mocuddims of villages, the manner in which these are to make their arrangements with the ryots or cultivators must be defined and understood, so as that the same principle may pervade the whole system.

10. With whomsoever the engagements for the revenue be concluded, I recommend to your special care and protection the rights and interests of the ryots or cultivators, on whom principally the prosperity of the country depends, and who are liable to oppression on the part of the Desmooks and Patels, as well as on that of the Government.

11. In fixing the assessment, attention should, of course, be paid, for information's sake, to the past revenue of the village, or other portion of land to be assessed, and to what is called the kamil, or recorded full assessment: but the foundation on which your assessment should be constructed, is the present capability of the village or district to bear the load, according to the established rules and practice of the country, and without reference to former assessments.

12. To obtain for the Government its just dues, in such a manner as at the same time to promote the prosperity of the country, would be perfection; but where the attainment of the latter object might be prevented by too rigid an adherence to the former, the temporary interest of the Government should give way, and its permanent interest, as inseparable from the welfare of the people, be consulted, by the exercise of moderation in the assessment.

13. The

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13. The best form of concluding the settlement would seem to be, by giving puttahs or cowls on the part of Government, and receiving cabooleats, or bonds, on the part of the persons engaging. On this point there are probably forms already established in the country, which it may be expedient to follow.

14. I do not know that it is necessary to fix universally any precise term of years for which settlements may be concluded. It will probably be found expedient in some instances to extend, and in others to contract the period.

15. When it is not clear that the assessment secures the full right of Government, the term of settlement should be short, in order that the Government may not be pledged too deeply in an unfavourable engagement. In such cases, perhaps, the term of settlement ought never to exceed three years.

16. On the other hand, when it is certain that the full dues of Government are provided by the assessment, the term might be extended to five, seven, ten, twenty, or even to a greater number of years.

17. If, indeed, there were any instance of a probability that the assessment of a village had reached its maximum, and would not, in the ordinary course of events, admit of any future increase, in such a case it would be right, I conceive, to extend the term of engagement to fifty or a hundred years. I would even say to make it permament, were it not that the changes which may in the course of time take place in prices and the value of money, might render an assessment of the present day very unsuitable at a distant period, if it were not intermediately liable to revision.

18. But as the case supposed will rarely if ever occur, the term of settlements should be so far restricted, as to admit of a fair increase in due time.

19. When the assessment is to be equal for every year of the term, without increase, the length of the term should not, I think, exceed five years.

20. With an assessment having an annual or progressive increase, there would be no objection to extending the term, if it should seem advisable to do so.

21. Whether the assessment should be equal or progressive, must be determined by the circumstances and prospect of the several village communities. Where circumstances may be favourable for it, I should prefer a progressive assessment.

22. It is highly desirable to exclude from the settlement Ijaradars or Teekadars; by whom I mean farmers, who have no hereditary or permanent interest in the soil. We may sometimes be compelled to have recourse to them, by the refusal of Patels and Desmooks to enter into engagements, and by the difficulty, of settling with each cultivator separately; but the introduction of alien farmers should be avoided, I think, whenever it is practicable to do so.

23. This letter is extending beyond my expectations: I will, therefore, as I wish to put you in possession of the accompanying orders, reserve for further communication some other observations which occur to me.

24. The accompanying orders are from the Nizam's Government to the Talookdars in your neighbourhood, apprizing them of your nomination to conduct the settlement, and ordering them to attend you for that purpose.

25. Whatever further orders may be requisite on the part of the Government, or on whatever points explanations may be desired from me, they shall be furnished on your intimation.

I have, &c.

Hyderabad,
12th March 1821.

(Signed) C. T. METCALFE,
Resident.

Enclosure No. 2 in Resident's Letter.

No. 2.—*Notes of Instructions.*

The first object of our interference is to protect the cultivating class of the Nizam's subjects against oppression and extortion, on the part of Government or its agents.

All

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All complaints, therefore, by cultivators of any degree, alleging oppression, extortion, or violation of engagements on the part of the Government officers, are to be attended to; and if redress cannot be procured from local authorities, such complaints, after due inquiry, are to be reported to the Resident.

Complaints of oppression, extortion, and undue exactions from other peaceable and industrious classes of the community, are to be attended to in like manner.

Cognizance is to be taken of murders, robberies, and other heinous crimes, in order that offenders may be brought to punishment, and the community be protected against such outrages.

The eradication of plunderers, robbers, and all who prey on the public, should be an object of incessant care.

It is not considered necessary that we should interpose with regard to private debts, or disputes or transactions between individuals, in which the Government officers are not implicated. Such affairs, it is presumed, may be safely left to the ordinary course which would be pursued without our interference. There may be proper exceptions to this rule, on which the superintending officers will exercise their discretion.

Subject, also, to the same exercise of discretion, it is not esteemed desirable that we should take cognizance of complaints against the Government for the resumption of jagheers, pensions, or other alienations of revenue, originating in optional grants, unless it seem that such allowances are charged to the Government, but suppressed and embezzled by local authorities.

For our general guidance, it is right to bear in mind that our interference is only so far desirable as it may be necessary: that if without it the country would prosper, and the Government refrain from oppression, our interposition would not only be unnecessary, but entirely inconsistent with the views of the British Government in India: and that now, therefore, it is only justifiable, in as much as it may be required for the purposes already mentioned. Our objects will be most effectually accomplished, if we can save the people from oppression, maintain good order, promote prosperity, and at the same time uphold the Nizam's Government, which it is our duty to support, and not to supersede or set aside, though it may frequently be necessary to check its oppression, and oppose the extortion of its servants.

In cases of doubt, reference should be made to the Resident, who will furnish such further instructions or explanations as may be required.

Any measure tending to improve the state of the country and the condition of the people, will be a fit subject for recommendation to the Resident.

Camp, Bowunpillee,
27th December 1821.

(Signed) C. T. METCALFE,
Resident.

No. 3.

Enclosure No. 3 in Resident's Letter.

To C. T. Metcalfe, Esq., Resident, &c. &c. &c.

Sir:

1. I have the honour to lay before you the substance of a letter which I have received from the Nizam's Minister, Rajah Chundoo Loll.

2. It commences with a long exposition of the causes which reduced the Nizam's Government to the necessity of borrowing a large sum of money from the house of Messrs. William Palmer and Co. and others. He attributes the present state of the finances and revenue, and the miserable condition of the inhabitants, to the exactions and extortions of his predecessors in office, to the irruptions of the Pindarries, to the late war, to famine and disease; in short, to every and any other cause but that of his own mismanagement and misrule.

3. He proceeds to detail the exertions he has made to extricate his Government from its embarrassments, and the readiness with which he has invariably attended to the advice and recommendations of the Resident in prosecution of the above purpose; more particularly in the dismissal of a great part of the troops, a measure attended with much danger and odium to himself.

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4. He goes on to state the exertions which he made, during the late war, for the purpose of assisting the British Government, and says that the expenses of the Russell Brigade, and those attendant on the raising of the late Russell Cavalry, have amounted altogether to nearly fifty lacs of rupees.

5. Of the debt to Messrs. William Palmer and Co., he engages to pay, during the Fuslee year 1232, thirty lacs from the revenues of the country, in the event of his meeting your countenance and assistance, in an arrangement which he proposes making with the Zemindars of Sholapoor, Gudwal, and Soogoor.

6. The above-mentioned Zemindars possess a tract of country which yields a revenue of about fifteen lacs of rupees per annum, although they pay to the Nizam's Government less than four. It is proposed by the Minister that a revenue settlement should be made, as in other parts of the Nizam's territory; and that the Zemindars should be called upon to pay ten or twelve lacs of rupees immediately, in consideration of the large sums hitherto withheld by them.

7. For the liquidation of the remaining snm due to Messrs. William Palmer and Co., the Minister proposes that the Honourable Company should advance the sum of thirty-five lacs of rupees, at the usual rate of interest, on a mortgage of the peshcush at present paid by half-yearly instalments to his Highness the Nizam.

8. Until the repayment of the sum so advanced, the Minister engages to find funds for the expense of the Hyderabad division, and other charges at present defrayed from the peshcush.

9. In agreeing to the above proposition, the British Government will be rendering a signal favour and service to that of the Nizam.

10. The Minister is, he says, aware that the repayment of the sum due to Messrs. William Palmer and Co., previously to the period specified in the agreement entered into with them, will be considered by the members of that firm a great hardship; but he hopes, by affording them assistance and protection in their future mercantile speculations, that they will be eventually saved from loss.

11. He then goes on to observe, that although the settlements for a term of years in the different districts of the Nizam's country have been completed, and every possible means taken for the protection of the cultivating class from the oppressions of the Talookdars, yet in addition to those gentlemen formerly employed in civil duties, Captains Campbell and Lee have lately been appointed.

12. He asks, what would be the opinion which his Highness the Nizam would form of him, were he to become acquainted with the circumstance of British gentlemen being permitted to exercise interference or authority in his country? He remonstrates, in rather a strong tone, against the continuance of such interference, for which there is no precedent, and for which he attempts to prove there no longer exists any necessity.

13. He represents the bad consequences which arise from the existence of two separate authorities; in proof of which he encloses the letter from the Talookdar of Kulburgah, which I have herewith the honour to transmit.

I have, &c.

Hyderabad, 4th June 1822. (Signed) H. L. Barnett, Assistant Resident.

To Lieutenant Barnett, &c. &c. &c.

Sir:

With reference to your letter of the 4th June, the Resident has directed me to reply, that the first and second paragraphs thereof do not require any particular remarks.

2. With reference to the third paragraph, the Resident cannot refrain from observing upon its contents, that he doubts the truth of the intimation regarding the

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the alleged dismissal of a great part of the troops. Had this dismissal taken place to any great extent, the Resident would have known more about it. It is not necessary, however, to discuss this point with the Minister.

3. Recurring to the fourth paragraph of the same letter, the Resident would like to be informed, how the Minister proposes to pay off thirty lacs of the loan from Messrs. William Palmer and Co. He has only pointed out ten or twelve, the realization of which is very doubtful.

4. Before offering any opinion on the scheme proposed in the fifth paragraph, it is necessary that the Resident should know on what footing the Zemindars of Sholapoor, Gudwal, and Soogoor, alluded to therein, stand with respect to the Government: whether they were subordinate chiefs with peculiar tenures, or merely Zemindars, subject, like others, to the regulations affecting that class in the Nizam's dominions.

5. The Resident will have no objection to forward the proposition contained in the sixth paragraph.

6. The seventh and eighth paragraphs do not seem to require any reply.

7. With reference to the ninth paragraph, further explanation, as to the protection and assistance which the Minister talks of affording Messrs. William Palmer and Co. in their future mercantile speculations, will be requisite, if his plans, in other respects, be accomplished. If any thing like monopoly be in contemplation, the Resident will consider it his duty to object to it.

8. Of the tenth, eleventh, and twelfth paragraphs, I am directed to observe, that the Resident is surprised at the present opposition, for the first time, to the measures adopted for the relief of the country from oppression. Hitherto the Minister has been considered as assenting, and pledged to the very measures to which he would now appear to object.

9. The course of the British Resident, with respect to interposition in the affairs of the Nizam's country, is very clear and intelligible; but it may be useful to explain it once more, for the Minister's information. We protect the Nizam's Government against all enemies, and under our shield he is secure against the dangers of foreign invasion or internal rebellion. For this reason, we are bound to take care that his Government do not take advantage of the shelter of this security to oppress the people; and this the more especially, when his Government is directed by the Minister supported by our influence. On this account, settlements have been concluded under the Resident's guarantee; but they would be nugatory, and worse than a farce, if there were not the means of attending to their fulfilment. They have already been violated in every part of the country, and the disposition to continue the former notorious oppressions is universally manifest. The Resident is of opinion, that the presence of officers in the several districts to which they are appointed, for the purpose of preserving the settlements, and checking or giving notice of oppressions, is an indispensable part of the present system of measures, and the Minister must either adhere to his former declared assent to this arrangement, or he must give us convincing proof that oppression will not be practised. Let us once be assured that the country will justly be governed and free from oppression without our interposition, and every sort of interference shall be instantly withdrawn. But on what can a hope of such a change be founded? For the mean time no interference is authorized except for the purpose of preventing oppression; and all instructions to the gentlemen employed in this branch of the service are framed with the most scrupulous attention to the consequence, as well as the interests of the Nizam's Government.

10. The Resident has not observed any thing of consequence in the letter enclosed from the Talookdar of Kulburgah; but Captain Sutherland will be called on to explain the circumstances to which it refers.

11. Lastly, I am directed to request you to have a conference with the Minister, and discuss the contents of his note in the spirit of the preceding observations.

I have, &c.

(Signed) G. A. Bushby,
Assistant.

Hyderabad,
5th June 1822.

To

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Enclosure No. 3 in Resident's Letter.

To C. T. Metcalfe, Esq., Resident, &c. &c. &c.

Sir:

I have had the honour of receiving Mr. Bushby's letter of the 5th instant, the substance of which has been laid before the Nizam's Government.

2. Regarding the mode of raising the remainder of the thirty lacs, the Minister proposes to give tunkhas, in the same manner as he has done in the present year to Messrs. William Palmer and Co.: in other words, he means to raise the necessary sum by anticipating the revenues of the country.

3. In answer to the fourth paragraph of Mr. Bushby's letter, the Minister declares that the Zemindars of Gudwal, Sholapoor, and Soogoor, have no peculiar tenures, different from other Zemindars in the Nizam's dominions.

4. What the Minister means, by affording assistance and protection to Messrs. William Palmer and Co. in their future mercantile speculations, is that all articles necessary for the Government, such as khilauts, jewels, &c., shall in future be purchased from them, in preference to all others.

5. The Minister professes to be convinced, by the arguments made use of in the eighth paragraph, of the necessity of a continuance of the measures adopted for the relief of the country from oppression; and he declares his entire conviction of your good wishes for the welfare and prosperity of the Nizam's Government. His dread is for the future, lest others may come with different views and other feelings.

I have, &c.

Hyderabad,
22d June 1822.

(Signed) H. L. Barnett,
Assistant Resident.

Enclosure No. 4 in Resident's Letter.

No. 4.

To Lieutenant H. L. Barnett, &c. &c. &c.

Sir:

I am directed to request you to explain to the Nizam's Government the misapprehension under which Lieutenant Hislop went into Kulburgah circar, and the error committed in the settlements which he has framed therein; for which purpose I have the honour to refer you to the enclosed despatch from Captain Sutherland, and its accompanying papers. I am further instructed to desire you to concert with the Minister the best mode of rectifying the mistakes which have occurred. It appears to be a matter of essential importance, that each village should know what it has to pay, and that the burthen should be no greater than its ability to bear. Regarding the mode of effecting this, which is however of less consequence, the Resident would recommend, that Captain Sutherland, or Lieutenant Hislop, be directed to revise the settlement lately framed by the latter, and to conclude one, conforming, if possible, in the aggregate, to the amount of the Minister's general settlement; or if that be found impracticable, to report for further information.

I have, &c.

Hyderabad,
30th July 1822.

(Signed) G. A. Bushby,
Assistant.

To C. T. Metcalfe, Esq., &c. &c. &c.

Sir:

I have had the honour of receiving Mr. Bushby's letter of the 30th ultimo, transmitting a despatch from Captain Sutherland, with enclosures for explanation to the Nizam's Government.

Lieutenant Hislop, the Minister said, had, in his settlement of Kulburgah, not only fallen into the error of thinking the aru laonee the only due of Government, but had been much deceived in the amount of the total quantity of land actually under cultivation, which is in reality nearly double that stated in his accounts.

Rajah Chundoo Loll anticipated some difficulty in the intended revision of the settlements, and seemed to dread an attempt, on the part of the Zemindars, to decrease

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Enclosure No. 4 in Resident's Letter.

decrease the cultivation and ruin the district: he therefore recommended, that no settlement should be entered into until the crops were up, when the real capability of the purgunna would be more certainly ascertained.

Regarding the mode of settlement, the Minister avowed his intention of sending Mahomed Shuffee Khan, for the purpose of inquiring into the village settlement concluded by Rajah Sookrudder; after which he proposed that Captain Sutherland should proceed to Kulburgah, for the purpose of distributing the cowls, should complaint be made of incapability to pay the amount of assessment. The Minister requested that the land under cultivation be actually measured, and a strict examination made into the other resources of the village.

I have, &c.

Hyderabad,
6th August 1822.

(Signed) H. L. BARNETT,
Assistant.

To Captain Sutherland, &c. &c. &c.

Sir:

I am instructed to acknowledge the receipt of your despatch of the 22d ultimo, and to inform you that the substance of it has been submitted to the Nizam's Government, in explanation of the proceedings in Kulburgah, which were objected to. The sentiments and intentions of the Nizam's Government are expressed in the enclosed copy of a letter to the Resident from Lieutenant Barnett. The Resident proposes to acquiesce in the arrangements contemplated by the Nizam's Minister, the cultivators being duly apprized that the engagements concluded by Lieutenant Hislop have not been confirmed.

I have, &c.

Hyderabad,
10th August 1822.

(Signed) G. A. BUSHBY,
Assistant.

To C. T. Metcalfe, Esq. &c. &c. &c.

Sir!

It is not quite clearly expressed in Mr. Bushby's letter of the 10th instant, whether it be your intention that the cultivators of Kulburgah should be apprized, through me, that the engagements concluded by Lieutenant Hislop have not been confirmed.

I believe this to be the intention; but should be glad to be honoured with your instructions as to the mode of doing so, which would appear most desirable.

I have, &c.

Bider,
12th August 1822.

(Signed) J. SUTHERLAND,
Captain commanding.

To Captain Sutherland, &c. &c. &c.

Sir:

In reply to your despatch of the 12th August, containing the copy of a letter from Lieutenant Hislop, in explanation of some proceedings of that officer that had incurred the disapprobation of the Nizam's Minister, I am instructed to communicate to you, that the Resident is satisfied that Lieutenant Hislop has been actuated in this affair by the best motives, and that he has the highest opinion of his honourable zeal for the good of the country and the real interests of the Government.

The Resident entirely concurs in your sentiments respecting a village settlement, on which he rests his chief hope of the regeneration of the Nizam's dominions.

Where, however, the Nizam's Minister has concluded a general settlement of his own, for the very purpose, perhaps of anticipating us, if we set aside his settlement without his consent, we go beyond our power, and justly give unnecessary offence. Our duty is co-operation with the Government, and not its subversion. Under the existence of such a previous general settlement, we

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might either, permission being obtained, distribute the aggregate amount and frame a village settlement thereon, which we know from experience is not in all cases impracticable, or the cases might be reported for further instructions.

Enclosure No. 4 in Resident's Letter.

You are requested to send in an account of such districts, within the sphere of your superintendence, as have not been settled, describing whether or not they have any general settlement on the part of the Government, in order that measures may be taken, with the consent of the Nizam's Minister, to extend the benefits of a defined settlement, which is the main object, in one way or another.

The Resident directs me to add, that you are aware how highly he prizes your valuable services; and it is almost superfluous to assure you, that he has unqualified confidence in your proceedings.

I have, &c.

Hyderabad,
16th August 1822.

(Signed) G. A. Bushby,
Assistant.

To Captain Sutherland, &c. &c. &c.

Sir:

The Resident desires me to inform you that, to the best of his recollection, it was not meant, in my letter of the 10th instant, to express any intention that you should formally communicate to the people of Kulburgah the non-confirmation of Lieutenant Hislop's engagement, the Government having undertaken to do so: but, on further consideration, it seems desirable that you should also make the communication, if you have the means ready in your hands.

The most general mode of announcing the event would, the Resident thinks, be sufficient for the present, reserving more particular communication with each village for the period when you may proceed to that district.

I have, &c.

Hyderabad,
19th August 1822.

(Signed) G. A. Bushby,
Assistant.

(Enclosure No. 8 in Bengal Political Letter of 20th December 1822.)

To G. Swinton, Esq., Secretary to Government, Fort-William.

Letter from Resident at Hyderabad.

Sir:

1. Since I addressed you on the 30th ultimo, I have been requested by Rajah Chundoo Loll to convey his respectful thanks for the honour conferred on him in the letter which he has received from his Excellency the Governor-General, and to add, that he had made his representation to his Lordship under difficulties which left him no other remedy, and that hereafter he will act according to his Excellency's desire, and never again make his representations through the house of Messrs. William Palmer and Co. He declares that the objects of his representation were, that I might give him support, and that the difficulties and reproach might be removed which have fallen on him, in consequence of our interference in affairs, and the double authority resulting therefrom. He adds, that he has no safe reliance but on my cordial support: that his enemies wish to throw the affairs of the state into confusion, and to find a pretence to have complaints written against him to the Presidency on the part of his Highness the Nizam: that he remains subject to these cares and perplexities, and hopes that, according to our plighted engagement, I will continue to give him the support which he has from the beginning received from the British Government.

2. Such are the contents of a note which I have received from him; and, according to his desire, I communicate them for the information of the Most Noble the Governor-General in Council. It seems to have been an afterthought, and I perceive in it symptoms of the same counsel by which he has for some time past been guided.

3. He visited me the day before yesterday, after I had received the note abovementioned. His strain then was of another kind. He did not make the slightest allusion to the contents of that note, or any difficulties, cares, or perplexities. He praised the revenue settlement of the country, as an arrangement of great advantage

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Letter from Resident at Hyderabad.

advantage to the people and the Government, and as placing him under particular obligations to me, from the security which it afforded him with respect to the revenue for several years to come, whereas formerly he was obliged to make assessments annually, and had no means of preventing the Government officers from exacting more than the proper amount. He added, that such a measure could not have been carried through by himself alone, against the difficulties which it had to encounter, and that he was entirely indebted to me for its complete success.

4. I beg that I may not be supposed to state these as his sincere opinions. They may be so, because what he says on this subject is undoubtedly true; but these very settlements he would be the first to violate, if he were unchecked. There is an evident difference between the spirit of his written, and that of his personal communications on this subject. There is, no doubt, design in both; but the latter are more easily denied.

5. During the visit above-mentioned, he freely acknowledged that he had acted in combination with Messrs. William Palmer and Co. for some time past, but declared it had only been lately. He admitted too very intelligibly, but without actually mentioning their names, that they had instigated his late address to his Excellency the Governor-General. These acknowledgments are quite inconsistent with his former declarations on the same subject; and, if my reason did not irresistibly assure me that his late proceedings must have been instigated, or at least strongly encouraged, on the part of those gentlemen, I would not do them the injustice to believe it on such evidence as this.

6. In adverting to that proceeding, the Minister reproached himself for the fault, the great fault as he called it, which he had committed, and besought me to assure him of my pardon. I observed, as I had done before, that I could not entertain any personal feelings on the subject, and that he had reason to be assured, from the letter which he had received, that his conduct in that affair had not excited any displeasure on the part of the high authority which I served. He still insisted that he should not be easy, unless I would pronounce the word pardon from my own lips, which therefore I did.

7. At the termination of the interview, he put his hands together, threw his head into my lap in order that I might put my hand on it, and catching hold of my hand, pressed it warmly to his breast. In describing such particulars, my object is to lay before the Governor-General in Council the character of the extraordinary man with whom my duty has placed me in contact and collision.

I have, &c.

Hyderabad,
7th Oct. 1822.

(Signed) C. T. METCALFE,
Resident.

(Enclosure No. 9 in Bengal Political Letter of 20th December 1822.)

MR. ADAM'S MINUTE.

Mr. Adam's Minute, 11 Nov. 1822.

In my minute of the 1st instant,* I have professed a very decided conviction, founded on the facts stated by the Resident at Hyderabad, of the combination of Messrs. William Palmer and Co. and the Minister, instigated by the former, against the measure and credit of the Resident. The terms of the draft now circulated do not, therefore, go to the extent which I was prepared to do, in passing a judgment on the question. I can, however, have no objection to such further reference or inquiry as may be desired, for the satisfaction of those to whom the evidence before us seems insufficient; and with this explanation, and the reservation of my previously recorded opinion, I agree to the despatch of the instructions now in circulation.

Fort-William,
11th November 1822.

(Signed) J. ADAM.

* See page 292.

(Enclosure

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(Enclosure No. 10 in Bengal Political Letter of 20th December 1822.)

MR. FENDALL'S MINUTE.

Mr. Fendall's Minute, 12 Nov. 1822.

The facts stated by the Resident at Hyderabad are certainly such as to warrant a strong presumption of Messrs. William Palmer and Co.'s having instigated the Minister to prefer complaints against him, but they have not had an opportunity of offering any thing in their defence: I therefore think the instructions sent in circulation should be forwarded.

Fort-William, 12th November 1822. (Signed) JOHN FENDALL.

Letter from Secretary to Government.

(Enclosure No. 11 in Bengal Political Letter of 20th December 1822.)

To C. T. Metcalfe, Resident at Hyderabad.

Sir:

1 Your despatches of the 30th September and 7th ultimo have been submitted to his Excellency the Governor-General in Council. I am now directed to communicate to you the following sentiments and observations of his Lordship in Council on the subject of them.

2. The facts and circumstances detailed in your despatch of the 30th September, combined with the Minister's verbal expressions to you, excite in the mind of his Lordship in Council much presumption that Chundoo Loll was worked upon by secret agents to despatch his letter of complaint against you, through the channel of Mr. William Palmer; still, when it is considered that the Minister was endeavouring to exculpate himself to you, in which attempt he would naturally throw the blame on other shoulders, so questionable a testimony is not sufficient for the Governor-General in Council to act upon. At all events, the impropriety of the mode in which the letter was forwarded, under the special circumstances adverted to in my letter of the 25th ultimo, was clear, and has been already pointed out.

3. The conduct of the Rajah, in making such a representation, without any previous reference to you on the subject of his alleged complaint, and the disingenuousness evinced by him in some parts of his statement, which is contradicted by the fact of its having been answered in the regular course of official duty, as well as the apparent falsity of some of the unsupported assertions contained in that document, cannot but impress the Governor-General in Council with a very unfavourable opinion of the Minister's regard for truth and fair dealing. It is quite impossible to reconcile the declarations made by him to you, with the allegations contained in the papers transmitted through Mr. William Palmer. Even his latter acknowledgments, with regard to the implication of the house of Messrs. William Palmer and Co. in the suggestion and preparation of the papers in question, are at variance with his previous assertions of their being his own spontaneous act. Such prevarication on the Rajah's part deprives his testimony, as to the collusion, or otherwise, of the firm of Messrs. William Palmer and Co., or of any individual of that firm, of all credit, if taken by itself. Connecting, however, his apparently spontaneous acknowledgment to you of his having been instigated by the house, with the various circumstances stated in your despatch, you have expressed your internal conviction of the reality of the fact, and the Governor-General in Council regrets to say that, as before observed, appearances strongly support that conclusion. His Lordship in Council would, nevertheless, be sorry to pronounce a harsh judgment on the supposed misconduct of the house generally, or of the partners individually, without first allowing them to be heard in their defence. Suspending, therefore, all decision on a question of such moment to the character and prospects of the house of Messrs. William Palmer and Co., his Lordship in Council deems it proper that the members of the house, jointly and individually, should be called on to declare, whether they in any way, directly or indirectly, encouraged the Minister to bring forward his complaints against you, or to what extent they were privy to his design, or apprized of the contents of the letters to the Governor-General and the Private Secretary, or of the note to Lieutenant Barnett.

4. The

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4. The detailed instructions of the 25th ultimo, before adverted to, supersede the necessity of any observations, in this place, on the subject of our interference in the concerns of the Nizam's Government, of which the Minister complains in the papers above noticed. His Lordship in Council cannot form a conclusive judgment on the security of the Rajah's sentiments, as expressed in those papers, until it be fully cleared up, whether he spoke at the suggestion of others, under a groundless alarm of your unfriendly disposition, or whether his acknowledgments to you of his renewed confidence in your support, and his satisfaction with your measures, be the genuine dictates of his own mind, or only professed to conciliate your good opinion. His Lordship in Council deems it unnecessary also to enter at large on the subject discussed in your despatch of the supposed undue influence of the house of Messrs. William Palmer and Co. over the Minister, and the general impression said to prevail, with regard to the identification of that house and their acts with those of the British Government. These questions will be taken up with more advantage, when the fuller information, lately called for, with regard to the conduct and proceedings of the house in its dealings with the Nizam, shall have been obtained, and when the general settlement of those dealings shall become the subject of deliberation. It will be sufficient to remark, that whatever may be the result of the investigation, his Lordship in Council fully concurs with you in the principles stated in the 108th paragraph of your despatch of the 30th September, as to the footing on which the firm of Messrs. William Palmer and Co., in common with all other British subjects, should be placed, in relation to the Government of the Nizam and the British Resident; and a fitting opportunity will be taken to explain to Rajah Chundoo Loll, that all direct communication between him and the house must cease, and that the Resident must be the channel between them in future. It will not, however, be expedient to put a sudden stop to the present mode of intercourse, which may facilitate the winding up of the mutual concerns of the house and the Government of the Nizam, so that the restriction may conveniently be suspended, until the contemplated and highly desirable arrangement of dissolving the too intimate connexion now subsisting between them be carried into full effect.

I have, &c.

Fort-William,
13th November 1822.

(Signed) G. SWINTON,
Secretary to Government.

Letter from Resident at Hyderabad.

(Enclosure No 12 in Bengal Political Letter of 20th December 1822.)

To G. Swinton, Esq., Secretary to the Government, Fort-William.

Sir:

1. I have had the honour of receiving your despatch of the 13th ultimo, and have communicated the sentiments of the Most Noble the Governor-General in Council, therein expressed, to Rajah Chundoo Loll and Messrs. William Palmer and Co., respectively. I now submit the several representations received from them in reply.

2. I was apprehensive, on the perusal of your despatch above-mentioned, that the identification of the Minister and Messrs. William Palmer and Co. in the censure of Government might tend to draw closer between those parties the combination previously existing, and enable the latter to persuade the former that they had a common cause to defend. His fears have been the powerful agents through which they have successfully worked on him; together with his belief, strengthened if not instigated by them, as I conceive, that I was bent on his removal. These feelings were likely to be called into play on the present occasion. The censure of His Excellency the Governor-General in Council, for the first time expressed, was calculated to excite alarm, and it was natural to attribute it, in some degree, to my representations.

3. In communicating the sentiments of Government to the Minister, I sought to allay unnecessary fears, and to encourage him to proceed in the course enjoined in your despatch. For the moment, the effect seemed to be such as I wished to produce.

4. In obeying his Lordship's instructions with respect to Messrs. William Palmer and Co., I was desirous of separating the observations appertaining to them

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them from those which related to Rajah Chundoo Loll, but found this impossible, without garbling the remarks which I was directed to convey to them. I therefore transmitted to them the first, second, third, fourth, fifth, seventh, tenth, eleventh and twelfth paragraphs of your despatch complete, omitting the sixth as reflecting exclusively on the Minister's conduct, and the rest as not necessary to be conveyed to them. I intimated, at the same time, that they were not considered responsible for the conduct of the Nizam's Government, and could only be expected to explain their own proceedings.

5. The effect was, nevertheless, such as I had apprehended, and such as, under all the circumstances of the case, could hardly be prevented. It was soon evident, that the Minister's alarm had become more excited than they had been by my communication of the sentiments of Government He sent me an explanatory note, with a request that its contents might be reported to the Governor-General in Council. Not, however, content with this, he afterwards sent another, accompanied by figured statements, and requested that I would send copies of all these documents to the Presidency. One remarkable feature of these notes, especially of the last, is the distrust evinced, lest I should not fully report his explanations. The undisguised manifestation of this feeling is not characteristic of Chundoo Loll, but proceeds from the same influence which, for its own purposes, has first excited, and then worked upon his belief of my unfriendly disposition. He has since become sensible of the impropriety of the display of such a suspicion ; for, without any remark or notice on my part, he has requested that I will do with the notes as I choose, and represent to Government what I think proper for his advantage : to which I have replied, that his papers shall, of course, be sent according to his original desire.

6. They consist of three notes to me, a note to my predecessor respecting the sixty lac loan, an account of the outlay of the money of that loan, and a statement of reductions effected in consequence.

7. The contents of the first of the notes to me (a copy is enclosed) were communicated in my letter of the 7th instant. Translations accompany the copies of the other two, and the copy of the note to Mr. Russell. An English abstract of the outlay of the sixty lac loan accompanies the detailed Persian account: it is precisely the same as the one reported in my letter of 17th March 1821, on which some of the remarks in your despatch of the 13th ultimo are founded. Copy and translation of the statement of the reductions complete the enclosures on the part of the Minister.

8. The Minister's explanation appears to me to be, in some parts, plausible ; but, on the whole, very unsatisfactory. He assumes credit for great reductions of expense, and even for the loss of revenue caused by his own misrule, attributing that to consideration for the people, which has been forced on the Government by the consequences of former exactions.

9. He estimates his reductions of expenditure at forty-one lacs, including all that have taken place, whether before the loan, or at the time of the loan or since the loan ; whether by suppression of Jagheerdars and resumption of jagheers, from just or extortionous motives, or by the actual reduction of troops, or by any other cause. How much of the sum mentioned is real reduction, it is not in my power to say. He challenges investigation ; but even if any object were proposed for entering minutely into the detail, such an investigation would most probably prove vexatious, fruitless, and without end. Neither his general habits, nor the particulars of the statement which he furnishes, are calculated to inspire confidence as to its veracity, and I acknowledge thatI distrust it.

10. He had furnished a statement of the greater part of these reductions before, the items of which do not at all agree with their corresponding ones in the present account, though the reductions meant to be described in both are the same. For instance, in the troops under his own immediate command, describing the same reduction, it was at one time stated to amount to Rupees 2,00,000; it is now Rupees 2,50,000. Shums-ool Omra's, formerly described as Rupees 1,00,000, now Rupees 2,00,000. Govind Buksh's, formerly Rupees 2,50,000, now Rupees 1,30,000. Noor-ool Omrah's,

rab's, before Rupees 3,50,000, now Rupees 3,75,000. Fyaz Allee's, formerly Rupees 2,00,000, now Rupees 2,50,000. Rao Rumbha's, formerly Rupees 2,00,000, now Rupees 3,00,000. Rao Boochur Mull's, formerly Rupees 1,92,000, now Rupees 2,00,000. Ruffat-ool Moolk's, before Rupees 6,27,515. 3. 9, now Rupees 5,00,000. Munsoor Khan's, before Rupees 39,000, now Rupees 75,000. Such differences in items describing the same reductions, are fatal to the credibility of the statement as an account. I cannot therefore submit it, without expressing my distrust of its contents.

11. I must also remark, that the Minister has omitted to notice any increase in his establishments that has occurred during the period in which these reported reductions may have taken place. On the whole, I hope that a considerable portion of these reductions may be real, but I cannot venture to fix the amount.

12. The Minister takes credit, in one of his notes, for laying out a part of the sixty lac loan in repairing tanks; but, in the account of outlay which he furnishes, no such item appears, though he has now descended to the trick of foisting into his account the mention of a disbursement for this purpose, which forms no part of the sum to be accounted for, and bears the appearance of a fiction. This article of repair of tanks, and another of advances to cultivators, were set forth prominently in his application to my predecessor, as principal objects of the loan transaction. To one of them, by his own account, very little of that loan has been applied, and to the other nothing.

13. It is impossible, I think, to read his note to Mr. Russell, of which a copy and translation are enclosed, without seeing the combination therein existing between Rajah Chundoo Loll and Messrs. William Palmer and Co., and the fictitious nature of his application.

14. The whole of his account of outlay, as exhibiting the effects of the sixty lac loan, is invalidated, by his accounting for a larger sum, by about fifteen lacs, than was received, according to his own statement in that transaction. It is thence impossible to say what items do, and what do not appertain properly to that loan; and there is reason to suppose that, for the purpose of magnifying its result, he has reported disbursements, the means for which must have come from other sources. Under these circumstances, no reliance whatever can be placed on this account.

15. But by his own shewing it appears, that out of the loan, eleven lacs is the whole sum expended on reductions. The account, however, which he furnishes, does not exhibit what number of troops were actually discharged by the disbursement of this sum, those discharged and those retained being confused together, without the possibility of distinguishing them. Nevertheless, admitting the statement to be true, a real loan of eleven lacs would have done as much, in the way of reduction, as a nominal one of sixty.

16. According to the scheme of the loan arrangement, twenty-five lacs of reductions were to take place; and sixteen being set apart for interest and sinking fund of the loan, a net saving of nine was to accrue for seven years, and afterwards the loan being liquidated in that interval, there was to have been a clear saving of the whole sum of twenty-five lacs. It happens that twenty-five lacs is the exact sum as yet assigned to Messrs. William Palmer and Co. this year, on account of all their transactions, and that the debt, instead of being reduced, is hitherto on the increase. Such at present is the result of this financial arrangement, for which the Minister now claims approbation, though he has repeatedly told me that he never cordially agreed to it.

17. The Minister's explanation regarding the bonus is in the highest degree preposterous. It amounts to this, that being in pressing want of eleven lacs of rupees, for the payment of arrears to troops discharged, he gave Messrs. William Palmer and Co. eight lacs of rupees, to induce them to advance eleven lacs for four months, at one and a half per cent. per mensem, because it could not be borrowed from native money-dealers at less than two per cent. per mensem; the difference between two per cent. and one and a half per cent. on eleven lacs, for four months, being Rupees 22,000. In other words, he gave eight lacs to cover a charge of twenty-two thousand. This is such nonsense, that there

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there is no refuge from its absurdity, except in the belief of its want of veracity. Say that, instead of eleven lacs, twenty-two or twenty-three were advanced in that manner, which is the utmost sum that appears, calculating the whole loan at sixty lacs, still forty-four or forty-six thousand would be the extent of the difference of interest. But even admitting that thirty or forty lacs were advanced, sixty or eighty thousand would nevertheless be the highest sum for which eight lacs were granted as an equivalent.

18. Supposing, however, that eight lacs had been a fair equivalent for a difference between the ostensible interest of the loan and that at which money was to be procured from native dealers, what becomes of the pretended merit of the loan? Where is the reduction of interest? What is the advantage to the Nizam's Government? What result is produced by that arrangement, except the additional security afforded to Messrs. William Palmer and Co., by the avowed sanction of the British Government, to their pecuniary transactions with the Nizam's Minister, and the transfer to them, at an equal rate of interest, of the Government bonds, before held by native dealers?

19. I proceed to offer some remarks on the letter enclosed from Messrs. William Palmer and Co.

20. I concur entirely in the opinion expressed by those gentlemen, that they are not responsible for the Minister's appropriation of the funds of the sixty lac loan; but I cannot think that their explanation on the subject of that loan, and the bonus attached to it, is satisfactory. The total advance actually made by them in that loan appears, by the account lately furnished by the Minister, to be Rupees 22,76,994. 0. 6, on which they received a bonus of eight lacs, the remainder of the supposed loan of sixty lacs of rupees being old debt. This certainly was not the arrangement to which the sanction of the British Government was given: and it is scarcely doubtful that it would not have been obtained, if such terms had been made known.

21. There is a difference between the amount of old debt stated by Messrs. William Palmer and Co. in their letter, and that reported by the Minister in his account; but as the former have not furnished any accounts, I must abide by that of the latter, which I suppose to be taken from their books. It cannot be supposed that Messrs. William Palmer and Co. were called on to relinquish any part of their old debt; but it is clear that, under the plea of advancing a large loan to the Nizam's Government, they secured the sanction of the Governor-General in Council to their old debt, and a bonus of above thirty-three per cent. on their actual advances, which circumstances were not at the time made known.

22. Whatever difficulties Messrs. William Palmer and Co. have experienced in raising the money to be advanced to the Nizam's Government, the benefit of the loan to the Nizam's Government is not shewn thereby. The difficulty, after all, amounted to being compelled, in some instances, to pay a high interest to native money-dealers. It is at the same time notorious, that Messrs. William Palmer and Co. borrow a great portion of their capital at twelve per cent., and that in their extensive dealings with native gentlemen they charge twenty-four or twenty-five, if not more. It seems that, at the period of negociating the loan, they had money in their hands, on the part of native money-dealers, at nine and twelve per cent. interest; from which I should judge that, with equal support from the British Government and at the British Residency, the native money-dealers might, at that time, have been brought to lend money to the Nizam's Government, on terms more advantageous than those of Messrs. William Palmer and Co.

23. Messrs. William Palmer and Co. transmit a statement, shewing the realization in part, and the failure in part of the assignments on the revenue received by them on account of the sixty lac loan. This statement, I imagine, is not intended to include all the assignments which they have received, independently of the Aurungabad concern, but only such as they carry to the account of the sixty lac loan. Messrs. William Palmer and Co. cannot, I presume, be considered responsible for the failure of assignments granted to them: this fault rests with the Minister, whose duty it was to pay up the full amount assigned. But wherever the defect may be, the consequence is the same to the Nizam's Government: the public debt is increased instead of being diminished.

24. On

24. On the subject of these assignments I cannot refrain from remarking, that this mode of meeting demands on the state is very exceptionable. From the moment of issuing them, the Minister takes no further heed of them, unless pressed by the holders in consequence of delay in realization. The holders, if public creditors of weight and influence, as in the case of Messrs. William Palmer and Co., may press for early payment, if they have an urgent demand for cash; or in an opposite case, when cash abounds, may indulge the district officers with delay on their own terms, while the interest on their demand on the Government is accumulating. The Government is thus left, in some degree, at the mercy of the creditor, and an improper influence is thrown into his hands. I state this objection to the system, without meaning to imply that Messrs. William Palmer and Co. have used this power improperly.

25. I am not able completely to follow Messrs. William Palmer and Co. in their explanation of the difference of the manner in which the Minister's accounts and their own have been kept. They seem to say that they are kept differently, and yet that they have been under the necessity, as far as possible, of keeping their accounts in such a manner as to meet the Minister's views of them. Whenever any delay has occurred in the production of an account for which I have applied to the Minister, the reason alleged has been, that he has not been able to procure it from Messrs. William Palmer and Co., and I have consequently always supposed that the accounts rendered by him, with regard to his transactions with them, have been extracted from their own books.

26. That part of the letter from Messrs. William Palmer and Co. which relates to the Aurungabad account requires particular remark. They speak of a balance of Rupees 13,18,669, which for their convenience they had transferred to the Hyderabad account, and now propose to retransfer to the Aurungabad account; and they state that this balance forms the basis of the Minister's Account No. 2, transmitted with my letter of the 1st August. From the detailed statement of the Aurungabad account furnished by the Minister, and herewith submitted, it will be seen, that the sum mentioned was the balance of the Aurungabad account on the 11th August 1820, and was then transferred, as I have hitherto supposed, to the new loan, or as Messrs. William Palmer and Co. now represent, to the separate twenty-five per cent. account. It further appears, that the said balance was part of a larger balance, which had accumulated up to the 22d August 1819, and had from that time been diminishing: that is, it had accumulated before the sanction of Government was obtained for the Aurungabad arrangement, and was secured to Messrs. William Palmer and Co. by that sanction.

27. If, as I had hitherto understood, the balance of Rupees 13,18,669 was transferred in August 1820 to the new loan, Messrs. William Palmer and Co. have no right to take that balance out of that account which is at one and a half per cent. monthly interest, and retransfer it to the Aurungabad account, which is at two per cent. monthly interest.

28. There is something at present unintelligible to me in this shifting of items from one account to another; unless it be intended thereby to make out, that the twenty-five per cent. account is merely a continuation of the old Aurungabad account.

29. In the general accounts furnished by the Minister, and originally, I imagine, by Messrs. William Palmer and Co., there are the sixty lac loan account, exhibiting a transfer from the Aurungabad account of Rupees 13,45,042. 14. 3, the separate account at twenty-five per cent. interest, and the Aurungabad account at the same rate of interest. The last exhibits a balance of Rupees 7,98,469. 11. 9. Messrs. William Palmer and Co. say that the balance is Rupees 10,16,564. 6. 6. The cause of this difference I shall endeavour to have explained, but do not mean to delay the despatch of Messrs. William Palmer and Co.'s representation on this account.

30. Messrs. William Palmer and Co. repeatedly allude to differences between their accounts and the Minister's; but as I have never seen theirs, I cannot enter on that part of the subject. I am inclined to think that they must allude to some prepared statements which have not been communicated. Thus I am wholly

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without information as to the particulars on which they assert a balance in their favour of Rupees 30,91,515. 9½ in the Aurungabad accounts, the only account which I have seen shewing no more than Rupees 7,98,469. 11. 9, as above stated. But what they mean to have understood seems to be, that the balance of the Aurungabad account in August 1820, together with another small sum inadvertently advanced above the exact amount of the sixty lac loan, formed the basis of the twenty-five per cent. interest account; whereas, by the detailed accounts received from the Minister, the Aurungabad balance in August 1820, with some increase, would appear to have been transferred to the new loan, and part of the old debt at Hyderabad, Rupees 14,70,191, seems to have formed the balance with which the twenty-five per cent. account commences. To establish the correctness of Messrs. William Palmer and Co.'s present representation, there must have been a balance of Rupees 26,63,712. 6. 6 in the Aurungabad account on the 11th August 1820; and this must have been formed into two portions, and transferred to two separate accounts at Hyderabad, bearing different rates of interest, or the Minister's accounts cannot be trusted.

31. They say that there is not much difference in the end, and that their demand on the Government is nearly the same either way: and I am sorry it is so, for the end either way is bad enough for the Nizam's Government, and the demand is still on the increase.

32. On the whole, it appears to me that the real state of affairs between the Nizam's Government and Messrs. William Palmer and Co. is rendered more unintelligible by their explanation than it was before. I shall, of course, endeavour to obtain a more satisfactory knowledge.

33. Messrs. William Palmer and Co., in speaking of the difficulty with which they have met the exigencies of their house, omit to mention, that they have extended their transactions as much as possible, and neglect the precaution of keeping money in their hands; they are necessarily, in any case of exigency, at the mercy of the lender to whom they must apply. If in some instances they pay high rate of interest, they receive it in all their dealings with natives, whether with the Nizam's Government or with the numerous individuals with whom they have transactions. Their ultimate profit or loss on the upshot of these transactions (but loss I consider as out of the question) is not to be understood from any partial representation, and could only be completely ascertained by a thorough investigation of all their accounts, which is not, of course, to be thought of, in any commercial concern.

34. I believe that Messrs. William Palmer and Co. are at length aware, that their loans to the Government are accumulating to too large an amount, and that they are sincerely desirous to have a portion paid off; but they seem heretofore to have viewed their increase with satisfaction.

35. I cannot, against the evidence of my senses, join with Messrs. William Palmer and Co. in the gloomy view which they take of their affairs. I am happy to say, and should be sorry were it otherwise, that I believe them to be in a very prosperous condition, and in no danger whatever, unless from their own imprudence, or the improvidence of their ally the Nizam's Minister, in the event of his not being assisted by the British Government.

36. Messrs. William Palmer and Co. are entitled to my testimony, as to the difference between the money-market of this place and that of the Honourable Company's territories, and as to the want of credit of this Government, and the consequent difficulty of procuring money: but I cannot give this testimony without some reservation. The want of credit of the Government proceeds, in great measure, from the want of character of the Minister. The money lent to Messrs. William Palmer and Co. was formerly, at least, for the most part borrowed at this place; and with as much support from the Residency and our Government as Messrs. William Palmer and Co. have received, I am inclined to believe that money might have been obtained on cheaper terms from native dealers: for, as before remarked, Messrs. William Palmer and Co., when they were lending money to the Government at twenty-four per cent., had money in their hands from natives at twelve, and even nine. Such interest, however, I suppose, must have been on floating balances demandable at pleasure.

37. When

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37. When therefore Messrs. William Palmer and Co. lay claim to the merit of liberality, and call themselves benefactors of the country, I cannot agree with them, and they pretend to more than is required of them. If they establish their character for fair dealing and open conduct, they may relinquish their pretensions to liberality and beneficence, without any loss of credit as loan contractors.

38. It will be seen from the Aurungabad account herewith transmitted, that the ostensible profit of that arrangement to Messrs. William Palmer and Co. arose from the twenty-five per cent. interest received on their advances. There were, no doubt, contingent benefits and conveniences; but that is the only advantage discernible from the account. They have complained much, and have again in their present letter alluded to the resumption of assignments which they held for the payment of the troops. Those assignments having been specially granted for that object, were appropriated by the Government to their original purpose, and other assignments in lieu were issued to Messrs. William Palmer and Co., until the realization of which they receive twenty-five per cent. on the balance due. The injury, therefore, which they have sustained, consists in a continuation of the advantage of the concern. Admitting the possibility, that it may have been more convenient for them to receive the money when the former assignments might become due, nevertheless the only injury which they have received, from the necessary reservation of the funds appropriated to the payment of the troops, was letting that amount remain as a loan to Government at two per cent. monthly interest, which they would most probably also have done to some, if not the same, or a greater extent, had they continued to pay the troops; for, otherwise, the only apparent advantage of the concern would have ceased.

39. Mr. William Palmer has separately furnished an explanation regarding his own allowances from the Nizam's Government, and those received in the names of his children: he omits to notice those of his brother, Mr. Hastings Palmer. He considers these allowances to himself and children as the reward of his military service. He says that he has been twenty-three years in the military service of the Nizam's Government, in which period he includes the time (ten or twelve years or more) during which he has been in business, without any command in any corps, and of course not actually in service. By this mode of calculating, he is at present in the Nizam's military service, and his claims on this account are increasing. Some years hence he will have been thirty or forty years in the military service of the Nizam. Whatever may have been Mr. William Palmer's services in the Nizam's army, I have not chanced to hear more of them before, than that he had been employed in a military capacity and commanded a corps of cavalry. I have no wish to decry them; but I must observe, that even from his own representation of them, they do not appear to have been such as would warrant these large allowances to himself and family, prolonged too to another generation, as pensions consequent on his retirement. It is indeed understood, that on the disbanding of the corps which he commanded, he received a most liberal donation from the Government, which formed the capital with which he commenced business.

40. I cannot subscribe to Mr. William Palmer's notion, that he is on a footing with the native Sirdars of the Nizam's Government, and that his children are entitled to a provision from this Government, in like manner as the children of other Sirdars. Mr. William Palmer must be well aware, without any disparagement to his personal ability, of which I have the highest opinion, that the advantages which he has derived from the Nizam's Government have, from first to last, proceeded principally from British influence, patronage, and connections.

41. I consider the allowances granted by Rajah Chundoo Loll to Mr. William Palmer and his family, as one of the characteristic disbursements of the public revenue by that Minister, for the purchase of personal adherents, with a view to his own continuance in power. If these allowances last during his administration only, they are comparatively of inferior consequence; but if they are to be burthens on the state in perpetuity, or for the lives of the next generation of Palmers, they must be considered as an intolerable evil. No state can bear the

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pensioning of its subordinate servants on such terms; and in this prospective point of view, the matter seems to me to be worthy of the attention of his Excellency the Governor-General in Council.

42. Mr. William Palmer alludes to a design which he seems to have formed of relinquishing a portion of his own personal allowance, and introduces the mention of Lieutenant Barnett, which renders necessary some advertence to that point. Above a year ago, in the freedom of private intercourse with Lieutenant Barnett, and without any reference to his official character, Mr. William Palmer said something incidentally, which left on Lieutenant Barnett the impression that he had relinquished an allowance which he had formerly received from the Nizam's Government. Two annual payments of that allowance appear, from the account furnished by the Nizam's Minister, to have been charged since that time in the books of Messrs. William Palmer and Co., with interest thereon at twenty-five per cent. It may have been to put himself right with Lieutenant Barnett, and to explain the apparent inconsistency of the fact with the declaration, that Mr. William Palmer has now referred to their conversation; for otherwise I cannot discover any reason for his doing so. If his allowance really were as he describes it, I should see no reason for his resigning it. Even now, it is less objectionable in principle than his brother's, or his children's; because Mr. William Palmer's having once been in the military service of the Nizam, might afford some pretext for his receiving some allowance from the Government.

43. The knowledge of the existence of the affidavit, of which a copy is enclosed in your letter, and of its supposed object, places me in a very embarrassing situation. If I remain silent I may seem to admit its veracity without qualification, and thereby aid what appears to me to be a deception: if I unravel the apparent deception, I may unnecessarily drag into light what might as well, perhaps, for any public purpose, remain in its present obscurity.

44. It is difficult to say from the affidavit itself, what extent of retrospect it embraces. If only to the time when the house was first called by the name of William Palmer and Co., the transactions of Mr. William Palmer and his earlier colleagues in business are excluded, for he was established in business for several years before the house took that denomination. It may be presumed, that Sir William Rumbold's oath is not meant to extend beyond the period of his own partnership with Mr. William Palmer, and that probably is the limit included in the affidavit.

45. If it was intended to convey an impression, that from the junction of Sir William Rumbold to the negociation of the sixty lac loan, no gentleman of the Residency was a partner in the house, the inaccuracy of the affidavit, in that respect, is shewn by the undoubted fact of Dr. Currie's partnership during the greater part of that period. The partnership of Dr. Currie in the house has never been a secret. He belonged to it, I am informed, certainly from the time when the firm assumed the denomination of Messrs, William Palmer and Co., and probably from an earlier period. His interest in it, I understand, ceased about January 1820; but in an advertisement which appeared some time ago in a Madras newspaper, it was publicly announced, I am told, as having ceased in January 1821 or 1822. If any further information should be required on this subject, Messrs. William Palmer and Co. will, no doubt, readily furnish it, on my being authorized to call on them for that purpose.

46. This affidavit is a very unpleasant subject to proceed on. The avowed partnership of Mr. Currie is sufficient to shew, that the actual partnership of a gentleman holding an office at the Residency cannot be meant to be denied. If it be deemed necessary to urge the inquiry farther, which I hope it may not be, for I am not aware that any public good is likely to result therefrom, the following test might be proposed.

47. Mr. W. Palmer and Sir William Rumbold might be called on to swear to an affidavit in the following, or any better form containing the same substance: —"We the undersigned, &c. &c. do hereby make oath and declare, that from "the time of our engaging in co-partnership (date to be inserted) to that of our "entering

" entering into treaty for the sixty lac loan, which we negotiated for the Nizam's " Government (date to be inserted), no gentleman holding a public office in the " British Residency at Hyderabad, besides the surgeon, Mr. William Currie, " was a partner in our firm during any part of the above-mentioned period."

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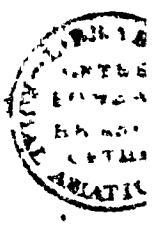
48. If (which, however, I must suppose to be impossible) Messrs. William Palmer and Co. should agree to make oath to that effect, I should consider myself bound in duty to have recourse to the means within my reach to prove the untruth of such declaration: But if, as is to be expected, they should decline taking such an oath, I respectfully trust that their refusal will be deemed to mark sufficiently the character of the present affidavit, supposing it to have been prepared for the purpose described in your letter, without compelling me to probe this disagreeable subject more deeply.

Letter from Resident at Hyderabad.

I have, &c.

Hyderabad, 16th Oct. 1822.

(Signed) C. T. METCALFE, Resident.



Translation of a Note from Rajah Chundoo Loll.

No. 2.

Enclosure in Resident's Letter.

I have been greatly distressed by the intimation which you have been pleased to convey to me, respecting the existence of doubts at the Presidency with regard to my transactions with the kottee (William Palmer and Co.); especially the not giving notice of allowing eight lacs of rupees bonus, and of admitting twenty-eight lacs of their old debt as a part of the new loan, and the consequent failure of the expectations entertained of the reduction of expense and increased prosperity to the country.

As I have no separate channel at the Residency through which I can represent the state of this affair, when you inquired into the accounts of my transactions with the firm, I put into your possession the detailed accounts of principal and interest, and mentioned, without concealment, the giving of eight lacs bonus.

With respect to the reduction of expense, the cause is this:—That in consequence of taking the above-mentioned sum (meaning, I presume, the loan), reduction of expense and establishments has taken place to the extent of forty-one lacs annually, from which the payment of the debt may easily be accomplished.

Also, with a view to the prosperity of the country, lacs of rupees have been excused to the cultivators, and leases given every where at a reduced rent. It was in consequence of reduction of expenses that the power to bear such a loss arose, which otherwise would have been extremely difficult.

As in this very sum (the sixty lac loan) the sum of former balances due to the house was included, and suitable advances made to the cultivators, and several tanks that were injured were repaired, let me have credit for good management in this, that with such a sum such things have been accomplished.

With reference to the intimation that I ostensibly pay attention to the welfare of the country, but not cordially, suppose that a man who sat under the shade of a tree were to neglect to water it, what fruit could he expect to derive from it?—Such is my case. My welfare in both worlds depends on this matter. If in this I do not pay attention with cordiality, I wilfully, and with my eyes open, agree to what is completely my own injury. How could I do this? God is my witness, that this is true. I declare on my oath, that I am and will be engaged with heart and soul for the prosperity of the country. Leases have been granted throughout the country, and not a farthing beyond the lease shall be exacted by the Government.

By the will of God, in a short time the prosperity of the country will be effectually manifested.

Translation of a Note from Rajah Chundoo Loll.

No. 3.

Enclosure in Resident's Letter.

From the day when doubts were entertained by His Excellency the Most Noble the Governor-General respecting my pecuniary transactions with the kottee

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Enclosure in Resident's Letter.

sottee (*i. e.* the firm of William Palmer and Co.) and the reduction of troops, I have experienced the greatest distress and anxiety. I submitted to you, four days ago, a note in reply on that subject; but as I did not represent matters fully in that note, I now proceed to state them fully.

On account of the war and excess of expenditure, I got in debt to the gentlemen of the kottee (William Palmer and Co.) and other money-dealers, and they urged their demands for payment, and several people also were clamorous for the arrears of pay due from the Government. At this time injunctions came from the Presidency (*i. e.* the Governor-General in Council) through Mr. Russell, for the equalization of income and expenditure, and the reduction of troops. I saw no way of settling these matters but by taking a loan from the kottee (William Palmer and Co.), and therefore wrote a note of four articles to Mr. Russell, in application of a sum for the removal of my difficulty. A copy of the note addressed to that gentleman is enclosed, from the perusal of which you will perceive all the particulars of my application. In that note, the proper payment of the former debts of native money-dealers, and the issue of the pay of servants of the state retained or discharged, are mentioned: according, therefore, to this agreement, the sum received from the kottee was expended in those disbursements. I enclose for inspection the particular accounts of the expenditure of that sum on people retained and discharged, and in advances to cultivators in the provinces. If you have any doubt as to the expenditure of that sum, every person is present to whom it was paid. Make any inquiry that may be considered desirable, either by yourself or by the Government: there is no hesitation on my part. If it be asked, how reductions of force to the extent of twenty-five lacs per annum could take place out of this sum, the fact is, that as I am always extremely anxious to pay up the servants of Government regularly, the arrears due to the people discharged did not exceed five or six months; I therefore paid about eleven lacs, which was the amount due for their pay. Among the people discharged were several jagheerdars, who received their pay from their jagheers. If you have doubts as to the reduction of force, a particular account of it is enclosed. As many people are dissatisfied with me, on account of the reduction of force and the resumption of jagheers, you have only to make the least inquiry or give a hint, and they will of themselves instantly give you an account of the discharge of their troops and the resumption of their jagheers: or let any investigation take place to ascertain the discharge of people, according to the enclosed statements, that may seem proper to yourself or at the Presidency. At first I proposed reductions to the extent of twenty-five lacs per annum; but since, as with a view to the prosperity of the country, large reductions of the revenue have taken place in all the provinces, and leases have been given to the cultivators, I have not remained satisfied with the former reductions, but a second and a third time since your arrival have effected further reductions, making the whole to amount to forty-one lacs per annum, as you will particularly observe from the accounts before-mentioned.

The reason of granting a bonus of eight lacs to the gentlemen of the kottee (Messrs. William Palmer and Co.) was this:—I had applied to the gentlemen of the kottee for an immediate advance, as the discharged people, and those also who were retained, were clamorous for their arrears. The gentlemen of the kottee replied, that they had not the ready cash in the house, for that twenty-eight lacs of old debt was in the hands of Government; that they would have to send for the money from a distance; that it would come in three or four months; that if I would wait till that time, the money should be advanced after its arrival from distant places; that if there were any pressing necessity, the money-dealers of the city notoriously take two per cent. interest (per mensem) and not less; that if they (Messrs. William Palmer and Co.) were to lend money to the Government at one and a half per cent., and borrow from these people at two, it would be impossible for them to go on, but that if, on account of the necessity of the case, the Government would submit to a loss of eight lacs, they would then undoubtedly borrow money from the native money-lenders, and lend it to the Government. I had first to consider, that if I did not discharge the troops, I might be accused of delay and deception in this important affair: and, secondly, that the discharged troops might mutiny

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if they did not receive their arrears, or that it might be necessary to retain them till the money should arrive from distant parts; in which case, four months' pay would not be less than this. I therefore, from necessity, agreed to give the bonus of eight lacs.

Enclosure in Resident's Letter.

I have stated the whole case without reserve or exaggeration. As doubts have arisen on this subject at the Presidency, and I have been questioned on it, I request that you will have the goodness to transmit to the Presidency copies of both notes, with the accounts of the outlay of the loan and the reduction of the force, for which I shall be greatly obliged to you; and also be pleased to transmit a copy of the note which I sent before, in reply to his Excellency the Governor-General's kind letter, as an engagement not in future to carry on negociations through Mr. William Palmer. Let me know what answer may come from that quarter: till the arrival of an answer I shall be in a state of great anxiety.

Abstract of detailed Persian Account of the Disbursement of Monies received on Loan from Messrs. William Palmer and Co.

Amount of loan ..... Hyderabad Rupees	67,62,703	9	6
Deduct amount of former debts due to Messrs. William Palmer and Co., which became consolidated in this loan ..... Hyderabad Rupees	28,94,632	9	6
Remainder applicable to the service of the state... Ditto	38,68,071	0	0
Of which disbursed on account of establishments, and charges which still continue:			
Arrears of Nizam's household, Hyderabad Rupees	6,03,620	0	0
Choute for Appa Dessye .....Ditto	68,360	0	0
Purchases of arms and accoutrements.....Ditto	46,549	8	0
Remainder, after deducting the above .....Ditto	31,49,541	8	0
Tuckavee, or advances to the cultivators.....Ditto	2,35,000	0	0
Debts to native bankers discharged.....Ditto	13,27,528	0	0
Arrears of troops and other establishments, part of which are retained and part discharged ...Ditto	15,87,012	10	6

(Signed) H. L. Barnett,
Assistant Resident.

Reduction of Troops:
12,955 men and 6,305 horses.
Pay of above ..... Rupees 41,00,000

Particulars of above:

	Men.	Horses.	Rupees.	A.
Of Mooneer-ool Moolk	100	100	60,000	0
Rajah Chundoo Loll	1,300	800	2,50,000	0
Shums-ool Omrah	800	250	2,00,000	0
Ameer-ool Moolk.....	100	100	60,000	0
Rajah Govind Buksh	500	200	1,30,000	0
Noor-ool Omrah	500	500	3,75,000	0
Fyaz Ally.....	500	500	2,50,000	0
Rajah Rao Rumbah	700	700	3,00,000	0
Shakir Khan.....	600	200	1,80,000	0
Neaz Bahadoor Khan	300	200	1,30,000	0
Mahomed Sahib	125	125	60,000	0
Mahomed Khan	150	150	70,000	0
Rao Boochur Mull	400	400	2,00,000	0
Munsoor Khan	150	150	75,000	0
Rao Seetul Doss	1,000	50	60,000	0
Different Suwars, Sikhs, Arabs, &c.	1,000	100	1,00,000	0
Second Time.—Ruffat-ool Moolk	2,900	900	5,00,000	0
Rao Boochur Mull	100	100	50,000	0
Kurrar Newauz Khan.....	250	50	50,000	0
Rao Naneck Ram	80	80	40,000	0
Deductions made in the amount of several persons' pay			68,682	3
Carried over.....			32,08,682	3

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	Rupees.	A.
Brought forward.....	32,08,682	3
Third Time.—After the arrival of the present Resident:		
Reductions in the Hyderabad division,		
Berar ditto, Russell Cavalry, &c.	2,21,615	3

In the Household Troops, 1,400 men and 1,150 horses.

Particulars of above:

	Men.	Horses.	Rupees.	A.	
Of Hissam-ool Moolk	450	300	2,00,000	0	
Rajah Samraj	200	100	60,000	0	
Saleh Mahomed Khan, Zorawar Khan, &c.....	550	550	3,00,000	0	
Suwars belonging to different Ressalahs	200	200	1,09,702	10	
					6,69,702 10
			Rupees		41,00,000 0

(Signed) H. L. Barnett,
Assistant Resident.

Translation.—Copy of a Communication to Mr. Russell, dated the 2d of Shuwaul, in the Year 1235 (14*th July* 1820).

At this time, with a view to a reduction of the expenditure of the Government, so that the disbursements may not be greater than the receipts, and also for the purpose of improving the condition of the districts, it becomes necessary to raise a large sum of money: First, for the payment of arrears to servants at present retained, and to those dismissed. Secondly, for giving money advances in the districts; for, owing to famine and war, incapacity exists amongst the cultivators, and tanks remain without repair, the repair of which is necessary; and it is also necessary for the cultivation of land which has fallen waste, and for making new tanks, and for the purchase of bullocks. Thirdly, for the payment of debts incurred to Sahookars and others for the expenses of the war, at a high rate of interest. Fourthly, Whereas, up to the present time, I have been accustomed to borrow sums from bankers and others, owing to the excessive expenditure, and have given in exchange large assignments on the districts, as it was necessary to obtain the revenue before it was due, and the Talookdars practised extortion upon the cultivators to effect the realization of the sum.

Under these circumstances, as the assistance of the kottee, for the furtherance of the affairs of the Government, has become necessary, and it has always assisted and aided me in my affairs against the too high demands of the native bankers, and as the money-dealers and bankers have confidence in the said gentleman, between them matters can be very well arranged. I have, therefore, written to the said gentleman, regarding the giving a sum to meet the necessities of the Government, and to reduce the tunkhas which were given in liquidation of former debts to the kottee. His answers are inclosed for your perusal. Since this affair is necessary and imperious, the execution of it is proper. Of the sixty lacs, more or less, which have been demanded from the kottee, the whole amount will be expended in advances to the cultivators, in the payment of arrears to troops retained and dismissed, and in payment of debts to bankers, &c.

By the aid of the loan raised through the gentleman of the kottee, reductions of troops have been effected, amounting to twenty-five lacs, according to the separate paper; and of that sum, sixteen lacs of rupees having been settled for a period of six years for paying the debts to the kottee, after paying the debts to the kottee the said sum is contemplated as reverting to the advantage of the Government; and the remaining sum of nine lacs of rupees of reductions of troops, equalizes the receipts with the expenditure, which had exceeded owing to the war, and facilitates the affairs of the Government.

As I am a dependant of the British Government, I trust that, with a view to the ease and good order of the affairs of this Government, you will have the

goodness

goodness to make some intimation to the gentleman aforesaid; for in the performance of this necessary affair, in which, except the good of this Government, nothing whatever is contemplated, without your assistance the arrangement for reducing troops, &c. is extremely difficult.

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A copy of Mr. William Palmer's proposals which he sent, together with the articles of agreement which I have superscribed on my own part, is enclosed for your perusal. If the contents are approved, the original shall be signed and sent to the said gentlemen.

Enclosure in Resident's Letter.

To C. T. Metcalfe, Esq., Resident, &c. &c. &c. Hyderabad.

Sir:

We have the honour to acknowledge your letter of the 4th instant, with the enclosed extract from the despatch from the Secretary to Government, dated 13th September 1822. We have felt the deepest sorrow at finding the view which the Governor-General has taken of our conduct, and we beg to assure you that the injury we have sustained, and must expect to suffer, from the loss of the confidence and consideration on the part of our Government, which we formerly enjoyed, has scarcely given us so much pain as the fact, that while our prospects are darkened, we must cease to indulge in the reflection that we had credit for the liberality which has influenced our conduct. We must always think that we have been great benefactors in this country, and we feel the censure upon our conduct the more bitterly on this account. We lament that the testimony in our favour of all those persons who had the opportunities of judging of the general tendency of the transactions of the house, at a time when its services were so great and important, should be forgotten. The opinions of these persons were formed upon general knowledge and facts of which they alone can judge, from acquaintance with the state of this Government and of its credit at that time: but we appear to have lost the benefit of these opinions, and to have been in a manner convicted, to an extent already deeply injurious to our characters, before we were informed of the nature of our offence, or had an opportunity of defending ourselves. The Government has now condescended, for the first time, to call upon us to answer certain imputations, though we have long heard from all quarters that opinions were entertained by our Government very injurious to us, while the public has had a notion very dangerous to our security growing out of their knowledge of these opinions. During this period of anxiety, we have felt that we were strong in the correctness of our intentions, and that so long as we felt conscious of the propriety of our acts, we might hope to find a favourable construction ultimately put upon them by our Government: and we have looked to one broad fact as a justification for all we have done, namely, our conviction that the result has been decidedly beneficial, and that our transactions were less expensive to this Government than any others that could have been entered into upon the security it was able to give. We thought the frequent declarations of Mr. Russell, who had had the constant opportunity of judging, conclusive upon the former point, and the Minister's opinion decisive upon the other: both have often been officially before our Government. The testimony of the Minister upon a point so immediately concerning himself we considered unimpeachable; but the Governor-General seems to deprive us of the benefit of it, by the supposition in the extract of the dispatch, stating that there appeared collusion between us. We think it hard that, while any statement to our prejudice which might be made by the Minister could operate to our disadvantage, we should be thus deprived of the benefit of his favourable report; but we venture to suggest, that we cannot see for what purpose the Minister, who was labouring under severe pecuniary difficulties, should enter into a league with us, the avowed object of which was to entail an unnecessary expense and loss upon himself; and that we do believe, if he could have made a better bargain elsewhere, he would have done so, though we thought we had claims upon him for former services to this Government, which might have called for some sacrifices to our interests, and that, if we had exhibited such a sacrifice to our Government, we should have considered it a creditable testimony in our favour. We humbly entreat the Governor-General in Council to consider, that no temptation connected with us could operate so strongly with the Minister as the object of defrauding us of our debt.

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Enclosure in Resident's Letter.

We believe it impossible that any influence we could have, could be put in competition, in the Minister's mind, if he were a dishonourable man, with the notion of getting rid of the incumbrance of such a debt as ours. We beg of you to call the attention of the Governor-General strongly to this point; for we conceive that his continued consideration for us, at a time when he must believe we have lost much of the good-will of our Government, carries with it a vindication of all the pecuniary transactions we have had with him.

We have the honour to enclose an account of the realization of the funds assigned for the payment of the principal and interest of the sixty lac loan, which will prove that there has been no misappropriation of them, and that any failure that has taken place in the diminution of that debt has not been owing to us, but to the delay which has taken place in granting the tunkhas, and in the deficits and protracted payments of the kists. By this account it appears, that the amount of tunkhas realized in two years was Rupees 22,70,585, they ought by the agreement to have yielded thirty-two lacs of rupees. The additional Rupees 9,29,415, with the accumulation of interest, if carried to the reduction of the loan account, would have reduced it to about forty-four lacs in July account, instead of the amount Rupees 57,68,167, at which it then stood. The other account, shewing the tunkhas we received, the complete failure in the payments of some, and the substitution of others, will prove the difficulty with which we realized the above sum. The tunkhas we formerly held were irregularly paid, but not to such an extent: had we anticipated this we would not have gone into the loan transaction. We have to assure you, that the misconception that has taken place, as to our being concerned in extensive pecuniary dealings with this Government which have not been reported, has arisen out of the manner in which the Minister's accounts have been kept. We conceive this may be accounted for, by his having kept them for his own satisfaction and purposes, and not with a view of exhibiting them to our Government. The only point essential to him has been to keep a check against our demands; of course it was immaterial to him under what branch of our accounts any entries might appear, it not being with him, as it is with us, an object to prove that the items against him came under the sanctions we had received from our Government. We trust the Governor-General will give us the full benefit of this fact, as also, that we have been under the necessity, as far as possible, of keeping our accounts in such a manner as to meet the Minister's views of them. The constant altercations into which we fall with him upon every settlement of our balances, made this an object of great importance to us. Indeed, the minuteness with which the Minister scrutinizes our accounts, and the disposition he has always shewn to take advantage of us in the most trifling charges, is beyond any thing that could be believed by those who have not had pecuniary transactions with him. We trust that we cannot incur censure for the Minister's supposed or actual misappropriation of the funds of the sixty lac loan, as we have never imagined we had any concern in this matter which did not appear to relate to us. We hope that the transfer of a former balance due to us into this loan, will not be considered incorrect. This balance had accumulated from payments to the Berar Suwars employed to co-operate with the Company's troops in the late campaigns. These payments had been made without our having any security for them, at the urgent request of the Resident, and for public and important purposes: the Minister was under engagements to give us orders in payment, the moment he was relieved from the expenses of the campaign. We felt convinced that he would make every effort to do so, and we knew that the Resident felt himself bound to lend all his influence to effect this for us. It could not be supposed, that we contemplated the sacrifice of this debt, whilst we had always supposed ourselves entitled to the approbation of this Government as well as our own, for the facilities we had afforded to both Governments at the time of its formation. This debt was referred to in the letter we wrote to the Minister, in reply to his original application to us about the loan. We believe the correspondence was laid before the Governor-General in Council by the late Resident. The whole of this balance amounted to Rupees 20,57,219. 7, and arrangements for tunkhas in payment of it were in progress when the loan transaction commenced. The Minister, in referring to the difficulty he would have in carrying on plans of reform and retrenchment without pecuniary aid, alluded, we presume, to the difficulty of doing so, and meeting the other immediate demands upon him. The above balance must have been one of the most

important

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important of these. Had we taken the tunkhas, we must have got them discounted, and paid the money into the loan; but considering the transfer equal to a payment of cash, we gave up our claims to the tunkhas and made the transfer at once.

Enclosure in Resident's Letter.

The terms in which the Governor-General has animadverted upon the bonus, would seem to leave us no hope of any explanations we can give, proving altogether satisfactory; yet we trust that when acquainted with all the circumstances of the case, his Lordship may view it in a less unfavourable light. We beg to appeal to your experience in this market, whether you could at any time have raised one half of the sum by foreign bills, without a very material reduction in the rates of exchange; and if you had to raise the whole amount of the loan in that manner, whether the loss by exchange would not amount to a very large sum. If the expense which would fall upon the Company by the depreciation of their bills for their own purposes were added to this, we believe the premium upon a loan of sixty lacs, borrowed in foreign markets, would be considerably greater than the bonus. If we are correct in these impressions, the necessity of a compensation to us is at once made evident. It made little difference to us whether we borrowed at a low rate in foreign markets, and suffered a heavy loss in exchange by forcing our bills suddenly into this market, or whether we borrowed here, and gave the lenders high interest, to cover their losses, by producing funds for our use at their expense. In the latter case, we have suffered a regular and permanent expense; in the former, we should have been subject to a second loss, by the enhanced price of bills when we were required to repay the loans in foreign markets. We attempted to borrow money at fourteen per cent. in the markets of Calcutta and Madras, but so little confidence is there among European capitalists in the security of pecuniary engagements with native Governments, that the propositions failed, although the rate of interest procurable in these markets was from six to eight per cent. Our proposals were made to the houses of Messrs. Palmer and Co. of Calcutta, and Messrs. Gordon and Co. at Madras, and through them to other houses in both places. The Minister pressed us to make immediate advances for the urgent necessities of the Government. We stated the expense at which money must be raised here, and he considered it more advantageous to pay this expense than to delay his arrangements. In this situation, we were forced exclusively and disadvantageously upon this market; and the monied men, aware of these circumstances, not only exacted higher interest than we formerly paid on the new loans they made to us, but they insisted on an additional interest upon the monies already lodged with us, thus increasing what was formerly nine and twelve, to sixteen and twenty-four per cent.

Perhaps the measure to which the Company's Government resorted a short time before the period of our loan, may be allowed to be brought as an argument in favour of our bonus. The additional interest of four per cent., and the premium of three upon the loan they raised about that time, was in fact a bonus of more than seven per cent. The losses by exchange in different markets may be added to this. We know that the loss they experienced by exchange between this and Jaulna, on payments on account of the loan, amounted to four per cent. in addition to the above premium. The Governor General in Council, we lament to see, reprobates in the severest manner our not having reported the arrangement of the bonus, and we must ever deeply lament that we did not. That no wilful concealment of it was intended, we hope will be believed, when we state that the entry of the item in our books, which are kept in three different languages, and are constantly open to the inspection of all our clerks, is a common, open, and undisguised entry. The Minister was very pressing: we conceived his adoption of it would be received as evidence that it was for his advantage, and we were very reluctant to be constantly forcing ourselves and our concerns before the Government.

In the letter we had the honour to address to you on the 15th January 1821 we reported a balance of upwards of thirteen lacs due to us for Aurungabad payments, for which the Minister was under engagements to give us tunkhas at the beginning of the Fusly year 1231, corresponding to August 1821. As the receipt of these tunkhas would have cleared the balance from

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Enclosure in Resident's Letter.

from the Aurungabad books, we transferred the sum of Rupees 13,18,669, for our convenience, to the Hyderabad accounts, and this forms the basis of the Minister's account, No. 2, but as the Minister has never been able to give us these tunkhas, we have restored the balance to its place in the Aurungabad accounts, which thus shew a balance in our favour of Rupees 30,91,515. 9½. We must however observe, that this balance would not have been more than Rupees 23,66,931. 9½, had we not been obliged, after the orders of the Honourable Court regarding the Aurungabad house were carried into effect, to give up tunkhas for Rupees 7,24,584, which being all due, or nearly due, were in fact cash in our hands, as they were on those Talookdars who had always been most regular in their payments to us.

The Rajah's accounts and ours will not be difficult to reconcile after this explanation. The amount of the Government debt to us is essentially the same in both, though they will not, and cannot, be made to balance exactly, except upon a final settlement; unless the Minister would keep his accounts precisely as we keep ours. The Rajah exhibits a separate account of Hyderabad Rupees 26,71,377. At the time he gave this account, he could not have had our Aurungabad accounts up to the time our payments were stopped by order of our Government, which shew a balance of Rupees 10,16,564. 6½, exclusive of the original balance of thirteen lacs and upwards. In this balance is included, however, a sum of Rupees 7,24,584, which we were compelled to return the other day, and which was the amount of tunkhas given to us for the payment of troops, which tunkhas being due were equivalent to cash. We make out a balance of Rupees 30,91,515. 9½, due to us at Aurungabad, and a balance of Rupees 4,77,580. 13. due to our Hyderabad house. The Rajah shews an item of Rupees 14,70,191 as the foundation of the separate account. This is our balance of thirteen lacs and upwards, above referred to, and a sum of upwards of one lac excess of sixty lacs, which was paid inadvertently at the time of the loan. The difference between Rupees 14,70,191, and Rupees 13,18,669, is part of the balance of Rupees 4,77,580. 13, due to us. That, with its accumulation of interest, and the sum of nearly two lacs paid into the treasury of the Resident for the use of the troops, with interest upon that, will so nearly account for the last balance, that we hope the trifling difference will not be considered as a proof of our having disobeyed the orders of the Governor-General in Council. This balance is provided for by tunkhas, and whenever they are realized the account will be cleared. The Minister, it appears, by the extract you sent us, gives the amount of another old debt due to us, which was transferred into the loan. This is the Berar Suwar account, which we exhibit as a transfer to the whole amount, while he considers the tunkhas we gave up as cash, and the balance unprovided for as the transfer. In our letter to your address of January 15th 1821, we stated to you that we feared, in a country where every thing is arbitrary and emanates immediately from the Government, we should find it impossible to carry on our transactions, whether banking or commercial, without subjecting ourselves to what may be considered an infringement of the orders we had then received. The fact is, that the Government tunkhas, or acceptances of Government collectors, are the proper currency of this country, and that most of the transactions exhibited in the Rajah's accounts, since the date of our letter, partake very much of the nature of those which take place in any country where paper currency is in circulation, and where a man having a payment to make tenders a note and requires the difference. The Rajah, in sending us orders for money in such sums as it was convenient to him to draw them, has desired us to appropriate so much to ourselves for purchases or any other payment in which we were concerned, and to pay the rest to certain persons. Many of these transactions need scarcely have been recorded in any accounts, and with the exception of the purchases from us, have not been attended with either benefit or disadvantage to us. In some instances, the orders have been sent to us in consequence of their being to be divided among persons with whom we had dealings, and we have acted as agents, without any benefit at all, though the circumstance of their passing through our hands has made them appear in our accounts.

Regarding our sales, we have always dealt very largely in jewels, cloths, and have been agents for the sale of Europe goods to a very extensive amount.

The

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The former has been a very considerable branch of our concerns. The consumption of jewels in this Government is very great: we were not prohibited from making sales to the Government, and have never hesitated to do so. We can assure you, however, that no sums of the Government which have passed through our hands in any way, have been available to the purposes of the loan or Aurungabad payments, excepting what have been carried to those accounts, and that any other sums would not have come to us, but for the purposes abovementioned.

We entreat you to direct the attention of the Governor-General in Council to the fact, that since the period of our making the loan to this time, we have only been able to meet the exigencies of the house, by straining our credit to the utmost; that our distress has been continually increasing, and that we have been compelled to pay very heavy interest for money; that any sums we could have recovered from this Government would have been a great relief to us, and that nothing can be more erroneous than the supposition that we have had any interest in the tardiness with which the payments are made for the liquidation of our reported debts. To have sought the increasing a debt which we were so anxious to diminish, would have been to anticipate great and evident losses; for this Government now holds large sums from us, for which we pay much more than we receive, and every addition to that debt entails not only a loss proportioned to the amount of the addition, but has a general tendency to increase our difficulties. It is certainly our interest to have funds to a certain extent lent to this Government, but never to an extent which endangers our credit. Regarding the allowances of Mr. William Palmer, we beg leave to assure you that we have no interest in them. He has long been in the military service of this Government, and appears to have been in the receipt of large allowances long before the formation of our house was contemplated; and we beg leave to subjoin a statement with which he has furnished us upon this subject. We beg to add, that we feel convinced that the Governor-General is not aware how very severe an infliction we are now labouring under; that the credit and reputation of our house are daily diminishing by the various reports in circulation about us, and that our private fortunes are consuming in the heavy losses we are now sustaining; that we can only support ourselves at all by giving very heavy interest for money and by shifts, the expense of which is enormous; that we are now paying twenty-four per cent. and eighteen per cent. for a considerable part of the capital we have employed. We trust that the explanations we have given will entitle us to the kind consideration of the Governor-General in Council, and we shall feel most happy if you conceive that any co-operation of ours can forward your views for the improvement of the finances of this Government. At the same time, we hope that your knowledge of the state of the Government credit here, and of the variety of causes which influence the value of money in these markets, will induce you to support our request, that our transactions may be judged with reference to these, and not by the rules which would be applicable to transactions in any places under the Government of the Honourable Company.

We have, &c.

Hyderabad,
14th October 1822.

(Signed) W. Palmer and Co.

Memorandum.

Enclosure in Resident's Letter.

I have been twenty-three years in the military service of this Government. I was at one time in the command of a brigade of the Nizam's infantry, and was promoted seventeen years ago, by Meer Allum, the then Minister, to the command of five hundred and forty horse, on a contract for near thirty thousand rupees per month, and perhaps I was the only subject of this Government who did keep up his cavalry complete: Notwithstanding which, my gains on this contract were near seven thousand rupees per month. I never contemplated the formation of a house at that time, and could have no influence but that which my conduct and my character gave me. There never was a movement of the Nizam's troops for many years without my being sent with them, until the formation of the regular brigades; and during that time I was the person

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constantly fixed upon between the Resident and Minister for confidential services.

While Colonel Kirkpatrick was Resident here, he employed me in a confidential manner about the present Nizam, considering me, from the opinion his Highness entertained of me and my constant intercourse with him, as the public servant of this Government most worthy of his confidence. I volunteered my services with the present Nizam when he was employed with a body of his father's troops, in conjunction with a considerable force from the subsidiary army to bring the Rajah of Sholapoor to submission. Colonel Kenny commanded the detachment of the Company's troops, and I was employed in confidential communications between his Highness and Colonel Kenny.

During the campaign against Scindia and the Rajah of Berar, I was appointed by Colonel Stephenson to act as his brigade major with the Nizam's troops. My employment was not limited to the duties of this station, but I was often employed in communications between that officer and Rajah Mohiput Ram, who commanded the Nizam's army.

On the breaking out of the war I was left in command of Aurungabad, a principal frontier town, with a brigade of infantry and five hundred horse. I corresponded with General Wellesley on the movements of the Mahratta army, and was given to understand that my intelligence was generally correct, and that he had the first intelligence from me of the Rajah of Berar's entrance into the Nizam's territories by the Casserbaree-gaut, which led to a change of his movements.

When the rebellion of Rajah Mohiput Ram took place, I was selected by this Government, with the recommendation of the Resident, Captain Sydenham, to negociate with him on the part of the Minister. I was in direct communication with the Resident, and my correspondence with him on the subject, I believe, was laid before the British Government.

When the Nizam's troops were defeated by Mohiput Ram, Colonel Montresor, who went after him, took me as his interpreter, and gave me charge of the intelligence department, and I continued to correspond with the Resident at his request.

I have never expected to be called upon to state my services to this Government, and have no copies of the flattering testimonies which have been borne to my conduct by the successive Residents here: but I must say, that I have been employed on many occasions, when nothing but the highest opinion of my integrity could have justified it, and that on some of these occasions the service was hazardous. I will mention my situation with Rajah Mohiput Ram.

Pending the negotiation there was a contention between him and his nephew, Sureeput Ram. Mohiput Ram was prevailed upon by me to accept the conditions offered to him by the Minister. Sureeput Ram, who commanded his uncle's troops, being excluded from any participation in the conditions offered to his uncle, used all his influence to dissuade him from accepting them. He resorted to violence, and instigated the troops to mutiny, filling the house where we were forming a conclusive treaty, with armed men, and threatening to murder me. One treaty was signed about four in the morning, and the turbulence of the troops prevented an exchange of authenticated copies. As the only resource left to me for my security, I made Mohiput Ram a prisoner in the room where we were sitting, and threatened his destruction if violence were offered to us. Sureeput Ram, in consequence, changed his plan, withdrew the armed men from the house, and posted a body of three hundred Arabs near my tents, from whom I received a message that I should not quit the place till I had paid them their arrears of pay. This ferment was allayed, after some time, by the conduct of Mohiput Ram, and I was allowed to proceed unmolested to my tents.

The next morning a body of horse occupied a position within fifty yards of my tents, and forced me, for my security, to take possession with my guard of one of the bastions of the pettah within which I was encamped. I was then surrounded by the horse and a body of Arabs, and was kept a prisoner within the bastion for several hours, and was only released on the representation and good

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good offices of Mahomed Ruzza Khan Scindee, who commanded a large body troops under Mohiput Ram.

When the regular brigades were formed, my horse were disbanded, and this Government acknowledged my services, by giving me an allowance, as is the custom in this Government by all their native Sirdars, and I have still been considered in the military service of this Government, and have been often called upon to act. This allowance of two thousand rupees per month was given me long before the contemplated formation of a house of business.

When the Nizam's troops under Captain Gordon mutinied, I was sent by the Resident and the Minister to bring them over: a situation of some peril, for Captain Gordon was tied to the mouth of a gun with a match lighted. My conduct on this occasion procured me the thanks of the Governor-General in Council.

When the mutineers were tried, I was appointed and acted as President of the court-martial, taking precedence of all the officers in the Nizam's service, and of the officer (Captain Beckett) who commanded the Russell Brigade.

When the Government were dissatisfied with the proceedings of the Russell Brigade against the Zemindar of Bhuwaneeput, they sent me, on the recommendation of the Resident, Mr. Russell, to direct the conduct of Captain Beckett, and if I found it necessary, to supersede his authority. This was since the establishment of our house.

My allowances are certainly large, but they are not more so than those of other Sirdars, who have never rendered the same services to this Government. My children must look exclusively to this Government for their future welfare, and I have always considered that they were entitled to reap the benefit of my former services, in the same manner that the children of other Sirdars and dependents of this Government are provided for by it. When the plan of reduction and reform was commenced upon, I felt myself called upon to give up part of my allowances in common with others, and I communicated to Captain Barnett that I had tendered to this Government eighteen thousand rupees every year out of my personal salary of twenty-four thousand rupees, in the form of a nuzzerana. This has, as yet, had no operation; for my salary accounts, which are made up once a year, have not yet been adjusted. I did not propose to relinquish it altogether, as I could not tell when a sudden reverse of fortune might leave me this as my only dependence. The allowance which this Government has kindly given to my children, and which is accumulating in their names, I did not, of course, think myself authorized to give up.

Hyderabad,
14th October 1822.

(Signed) W. PALMER.

Statement of Tunkhas received, and amount realized on them.

Enclosure in Resident's Letter.

1 Tunkha on Rao Naneck Ram for sixteen lacs of Rupees, payable in four kists, on the following dates:

	Rupees.	
7th December 1820.....	4,00,000	
5th March 1821	4,00,000	
2d June 1821	4,00,000	
29th August	4,00,000	
		16,00,000

	Rupees.
First kist 4,00,000, realized when due	4,00,000
Second ditto, ditto, on various dates..	4,00,000
Third ditto, ditto, ditto	3,70,201
Fourth ditto, ditto, ditto	3,00,000
Realized first year .... Rupees	14,70,201
Balance due unpaid	1,29,799
	16,00,000

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2d year, one Tunkha on Rao Naneck Ram for fifteen lacs, due in kists, on following dates:

	Rupees.	A.	
24th February 1822 .. Rupees	3,75,000	0	
11th March 1822	3,00,000	0	
23d May 1822	3,00,000	0	
16th December, under engagement to be discounted in August	2,28,096	0	*
19th August 1822	2,96,904	0	*
In part of, (from Ameer-ool Moolk,)	1,00,000	0	
A Tunkha on Yado Rao	78,000	0	
Ditto, Yenkut Rao	48,925	0	†
Ditto, Mari Chund	32,833	5¼	†
Ditto, Kurrar Newauz Khan	3,00,140	0	†
Ditto, Romuna Pundit	45,770	10½	†
Ditto, Goolam Mahommed Khan	1,04,861	1¼	†

* Returned in consequence of the removal of the Talookdar.

† Received in lieu of Tunkhas returned.

	Rupees.
First kist realized on various dates.. Rs.	3,25,000
Second ditto, ditto	3,00,000
Received	19,600
Received on Tunkha of Yado Rao	19,900
Received	15,000
Received	16,800
Received	45,440
Received	14,135
Received	44,508
Realized second year.... Rupees	8,00,384

* Realized first year ..... Rupees 14,70,201
Ditto, second year 8,00,384

Total realized..... Rupees 22,70,585

(Signed) W. Palmer and Co.

Enclosure in Resident's Letter.

Account of the Aurungabad Concern, commencing 13th Rujeeb 1233 Hijree, corresponding with the 19th May A.D. 1818, bearing interest at two per cent. per mensem.

Account from 13th Rujeeb to end of Shuwaul 1233, or from 19th May to 3d September 1818:

	R.	A.	P.	R.	A.	P.
Cash advanced .....Rupees	7,96,965	15	9			
Interest Account	26,566	11	3			
				8,23,532	11	0

Account for six months, commencing 1st Zikaud 1233 Hijree, or 4th September 1818, and ending last day of Rubbeeoo-sanee 1234 Hijree, or 25th February 1819:

Balance of last account	8,23,532	11	0			
Cash advanced	11,94,897	5	9			
Interest account	1,60,728	13	9			
				21,79,158	14	6
Cash received from districts.....	10,39,030	0	0			
Interest on sums received	60,939	7	0			
				10,99,969	7	0
Balance..... Rupees				10,79,189	7	6

Account for six months, commencing 1st of Jemadeeoolawul, 1234 Hijree, or 26th February 1819, and ending last day of Shuwaul, or 22d August 1819:

Balance of last account.....	10,79,189	7	6			
Cash advanced	16,84,931	0	0			
Interest	2,43,611	8	3			
				30,07,731	15	9
Cash received from districts.....	14,27,981	0	0			
Interest on sums received.....	98,143	6	9			
				15,26,124	6	9
Balance..... Rupees				14,81,607	9	0

Account

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Account for six months, commencing 1st Zekaud 1234 Hijree, or 23d August 1819, and ending last day of Rubbeeoosanee 1235 Hijree, or 15th February 1820:

	R.	A.	P.	R.	A.	P.
Balance of last Account	14,81,607	9	0			
Cash advanced	13,19,066	13	9			
Interest	2,56,905	11	6			
				30,57,580	2	3
Cash received from districts	16,25,000	0	0			
Interest on sums received	81,753	11	9			
				17,06,753	11	9
Balance..... Rupees				13,50,826	6	6

Account for six months, commencing 1st of Jemadeeoolawul 1235 Hijree, or 16th February 1820, and ending last day of Shuwaul 1235 Hijree, or 11th August 1820:

Balance of last account	13,50,826	6	6			
Cash advanced	12,53,344	6	3			
Interest	2,40,832	11	9			
				28,45,003	8	6
Cash received from districts	13,98,874	5	0			
Interest on sums received	1,27,459	11	3			
				15,26,334	0	3
Balance transferred to the loan or Hyderabad Account...Rupees				13,18,669	8	3

Particulars of Balance:

Principal	7,58,320	4	6			
Interest	5,60,349	3	9			

Account for six months, commencing 1st Zekaud 1235 Hijree, or 12th August 1820, and ending on the last day of Rubbeeoosanee 1236 Hijree, or 4th February 1821:

Cash advanced	10,77,565	9	3			
Interest	60,818	10	6			
				11,38,384	3	9
Cash received from districts	11,63,670	14	6			
Interest on sums received	66,478	14	6			
				12,30,149	13	0
Balance in favour of Government..... Rupees				91,765	9	3

Account for six months, commencing 1st of Jumadeeoolawul 1236 Hijree, or 5th February 1821, and ending on the last day of Shuwaul 1236, or 30th July 1821:

Cash advanced	11,30,210	8	6			
Interest	74,288	9	0			
				12,04,499	1	6
Cash received from districts and balance of last account	9,91,985	5	3			
Interest on sums received	85,091	2	0.			
				10,77,076	7	3
Balance..... Rupees				1,27,422	10	3

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Account for six months, commencing 1st Zekaud 1236 Hijree, or 31st July 1821, and ending last day of Rubeeoosanee 1237 Hijree, or 24th January 1822:

	R.	A.	P.	R.	A.	P.
Balance of last account	1,27,422	10	3			
Cash advanced	10,70,270	5	6			
Interest	80,928	9	6			
				12,78,621	9	3
Cash received from districts.....	6,72,325	3	6			
Interest on sums received.....	26,645	15	9			
				6,98,971	3	3
Balance..... Rupees				5,79,650	6	0

Account for six months, commencing 1st Jumadeeoolawul 1237 Hijree, or 25th January 1822, and ending on the last day of Shuwaul 1237 Hijree, or 20th July 1822:

Balance of last account	5,79,650	6	0			
Cash advanced	12,81,816	11	9			
Interest account.....	1,59,447	8	3			
				20,20,914	10	0
Cash received from districts.....	11,66,598	6	0			
Interest on sums received.....	55,546	8	3			
				12,22,144	14	3
Balance due 20th July 1822..... Rupees				7,98,769	11	9

Particulars of Balance:

Principal.....	6,40,586	2	0
Interest	1,58,183	9	9

(Signed) H. L. Barnett,
Assist. Resident.

(Enclosure No. 13 in Bengal Political Letter of 20th December 1822.)

GOVERNOR-GENERAL'S MINUTE.

Governor General's Minute, 14 Nov. 1822.

In our discussions respecting the mode of freeing the Hyderabad state from its distresses, and of terminating the pecuniary concerns of Messrs. William Palmer and Co. with that Government, so as to prevent their possible recurrence, there were some provisions on which our opinions seemed to correspond, but which have not been reduced to such strict definition as is desirable: I thence proceed to put on record what I have contemplated. The measure which must be the basis of any solid relief to the state in question, is the providing the Minister with money at a moderate rate, wherewith he may be enabled to discharge all debts outstanding at a heavy interest. The last letter of the Honourable Court relative to the transactions of Messrs. William Palmer and Co. with the Nizam's Government, makes me feel authorized to extend an accommodation, which I should not otherwise have considered within the bounds of my duty. When the Honourable Court expresses regret that means had not been devised which would have given it the credit of assisting its ally, the inference is clear, that the temporary application for such a purpose of money lying idle in the treasury, therefore disposable for a certain interval without inconvenience to the Honourable Company, would be approved. Were not the conclusion so distinct, I could not hold myself justified in furnishing aid from those funds, even for a specified period. As it is, I am prepared to allow the advance of a sum, not exceeding a crore of rupees, from our treasury, if the step be deemed expedient by the Board, for enabling the Nizam's Minister to wipe off all burthensome debts. The interest would be six per cent. Of course I could not do this, without fixing a term and requiring adequate security

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rity for the repayment of the sum. I should require (what has been offered by the Minister) our retention of the Circar peshcush during the period, and the mortgage of certain purgunnas, the rent of which, added to the peshcush, would complete the liquidation within the time agreed. I should think six years sufficiently long, proposing that no instalment should be payable till the end of the second year, when twenty lacs might be expected, and a similar amount at the close of each successive year till the whole shall be returned. The twenty lacs would be easily producible after so vast a saving in interest had been made by the Nizam's Government. Were these conditions acquiesced in, it would not appear to me indispensable to be precise in ascertaining the extent of pecuniary claims on the Hyderabad Government, which probably the Minister could not furnish with absolute exactness, because the relief would, at all events, be so effectual as to remove all the difficulties of that state. It would especially extinguish all connection between the house of William Palmer and Co. and the Minister, placing that firm on the proper footing of having no negotiations with the Government but through the channel of the Resident. In discharging the demands of the house upon that state, the line I should lay down would be this. Consonantly with the principle indicated by the Honourable Court, we should see that all claims justly arising out of arrangements sanctioned by this Government were honestly liquidated: but arrears of salaries, gratuities extraneous to the licit course of the contracts, and demands springing out of credit spontaneously given by the house, either to the Nizam or to individuals, must rest entirely on the good faith of the parties so trusted. The objects being unconnected with the particular views countenanced by this Government, the Resident should have no cognizance of such debts.

If I have accurately expressed the points which I have conceived agreed upon, this record will be the foundation of a procedure which should not be delayed, since, during any procrastination, the incumbrances of the Hyderabad State must be rapidly increasiug through the accumulation of heavy interest.

Fort-William,
14th November 1822.

(Signed) HASTINGS.

(Enclosure No. 14 in Bengal Political Letter of 20th December 1822.)

MR. ADAM'S MINUTE.

Mr. Adam's Minute, 14 Nov. 1822.

I have had the honour to peruse the minute of his Excellency the Governor-General relative to the proposed advance to the Nizam's Government, and beg to offer the following observations on some of the points which it embraces.

The term of repayment should unquestionably be as short as may be consistent with the ability of the Nizam's Government to assign funds for the purpose, without diverting them from other essential purposes, and rendering it necessary to anticipate its revenues. The amount which can be conveniently assigned will be best ascertained by a reference to the Resident, such as I understood it was proposed to make. I should not be disposed to attach much importance to the period of payment being extended to the duration of the charter, or about eleven years from this time.

I should think it very desirable to obtain detailed and accurate statements of the debts of the Nizam's Government to Messrs. William Palmer and Co., and other creditors coming within the operation of the proposed settlement, from both parties; but provided they are procured from the parties claiming, and acknowledged by the Minister to be correct, or otherwise determined to be so, I agree with the Governor-General in thinking that a minute account from the Minister is not a point to be pressed, if found to involve delay or difficulty in a final adjustment.

Adverting to the concluding part of the last paragraph but one of his Lordship's minute, I do not understand it to be his intention peremptorily to exclude from the settlement debts incurred by the Minister *bonâ fide* for purposes beneficial to the state, such as discharge of arrears to the troops in order to effect reduction, and the like, even though not sanctioned by the British Government. It seems to me clearly desirable, that the settlement should be as comprehensive

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Mr. Adam's Minute, 14 Nov. 1822.

sive as possible, in order to give the utmost practicable relief to the Nizam's finances.

On receiving the reply of the Accountant-General to the reference that was made to him under date the 2d instant, we shall be enabled to instruct Mr. Metcalfe on almost every point, except the amount of the sums to be paid, which cannot be ascertained until the accounts are produced and verified, as above noticed.

Fort-William,
14th November 1822.

(Signed) J. ADAM.

(Enclosure No. 15 in Bengal Political Letter of 20th December 1822.)

MR. FENDALL'S MINUTE.

Mr. Fendall's Minute, 17 Nov. 1822.

I have perused the minute of his Excellency the Governor-General, proposing an advance of a sum of money, to the extent of a crore of rupees, on loan to his Highness the Nizam's Government, under proper security for its repayment within a certain period, for the purpose of enabling the Minister to discharge all burthensome debts.

The measure of making the advance, under every view I can take of the subject, appears to me extremely expedient; it is equally so, that the repayment of the loan should be effected as speedily as possible. If, therefore, the Minister can, without inconvenience to the resources of the state, or the danger of incurring fresh debts to make good his payments, mortgage, in addition to the peshcush, rents which will extinguish the debt in the course of six years, there can be no disadvantage in fixing that period for its repayment. At the same time, if the Minister finds it impracticable or inconvenient even to effect this, I should feel little hesitation in extending the period of payment to the limit of the Honourable Company's charter.

It will, I conceive, be necessary to obtain from the firm of Messrs. William Palmer and Co., and other creditors of the Nizam, an accurate and detailed account of all claims they may have on the Government, and to submit the same to the Minister, for such observations as he may have to make thereon: after which a meeting might, I think, be advantageously convened, to adjust their respective accounts, in the presence of the Resident, upon the principle laid down in his Lordship's minute. It would be highly desirable that this adjustment should be effected as speedily as possible; that the Minister may be relieved from the high rate of interest at which the debts now stand charged with, and enabled to make the necessary arrangements for the due liquidation of the sum which may be advanced by this Government. The Resident should, I also think, be instructed to report the result of his proceedings, with a detailed statement of such debts as he considers to come within the scope of the principle laid down by his Lordship, and such as he excludes, for the ultimate orders of Government.

Fort-William,
17th Nov. 1822.

(Signed) JOHN FENDALL,

(Enclosure No. 16 in Bengal Political Letter of 20th December 1822.)

MR. BAYLEY'S MINUTE.

Mr. Bayley's Minute, 18 Nov. 1822.

The measure described in the Governor-General's minute of the 14th instant, relative to the advance by this Government of such a sum of money as may relieve the State of Hyderabad from its most pressing embarrassments, and may effectually terminate the pecuniary concerns between that State and the house of Messrs. William Palmer and Co., appears to me to be very desirable.

The disposition of this Government to enter upon the consideration of an arrangement for that purpose was communicated to the Resident at Hyderabad, in the instructions of the 19th July last; and, in the subsequent instructions of the 13th September, the Resident was distinctly apprized of the sentiments of the Governor-General in Council, as to the inquiries to be made, and the proceedings to be adopted, preparatory to the completion of such an arrangement.

A reference

Enclosures in Bengal Political Letter, 20 Dec. 1822.

Mr. Bayley's Minute, 18 Nov. 1822.

A reference has been already made to the Accountant-General, to ascertain whether, in the present state of our finances, any objection exists to such an advance being made, and he has been required to report upon the nature and extent of the security to be demanded, and upon the most advantageous mode of making the remittance.

The Governor-General has suggested that the amount of the money to be advanced shall not exceed one crore of rupees; and as I imagine that that amount will be more than sufficient for the adjustment of all *bonâ fide* claims of a public nature which the house of Messrs. William Palmer and Co. can have on the Government of Hyderabad, I see no reason for enlarging the grant beyond that sum. Whatever surplus may remain after adjusting the claims of the house, may be applied by the Minister to the liquidation of any other debts of the state bearing a high rate of interest. It will, of course, be requisite that Messrs. Palmer and Co. should furnish a full and distinct statement of their accounts with the Minister, in the form prescribed by the recent instructions to the Resident at Hyderabad; and the Minister, after examining them and comparing them with his own, should point out any items to which he may see reason to object.

The amount of the claim having been once fixed and recognized by the house and Minister, Mr. Metcalfe would furnish a report on them to Government; and it would remain with the Governor-General in Council to exclude from the adjustment any of the items which might appear inadmissible, on the ground of their not being *bonâ fide* of a public nature, or of their coming within the exceptions adverted to in the Governor-General's minute.

The payment to Messrs. William Palmer and Co. of the sum which might be ultimately recognized, should be regulated in the manner pointed out by Mr. Metcalfe in his despatch of the 8th September. The injury which they would experience from the sudden and immediate discharge of the whole debt, would, in my judgment, be effectually guarded against, and without any material inconvenience to the other parties concerned, by the adoption of the arrangement above alluded to.

It is of course to be clearly understood, as well by the Minister as by the house of Messrs. William Palmer and Co., that the special object and express condition of the arrangement described in the Governor General's minute is, that all connection between the house and the Minister be thenceforth extinguished, and that the firm are to have no future transactions or negotiations with the Minister, except through the channel of the British Resident.

I beg to suggest for the consideration of the Board, without meaning however to urge the point, whether it may not be desirable that the sums which on the adjustment of the accounts, may be recognized as due to Messrs. William Palmer and Co. from the State of Hyderabad, should, with the concurrence and approbation of the Minister, be paid to the house by the Resident. Such an arrangement would guard against any possible misapplication of the funds assigned, and would tend to prevent all future discussion or embarrassment which might arise from such a cause.

Fort-William,
18th November 1822.

Signed) W. B. Bayley.

(Enclosure No. 17 in Bengal Political Letter of 20th December 1822.)

To C. T. Metcalfe, Esq. Resident at Hyderabad.

Letter from Secretary to Government.

Sir:

1. Your despatches of the 8th September and 16th ultimo have been submitted to his Excellency the Governor-General in Council.

2. The various important topics embraced in those despatches will receive the early and deliberate consideration of his Lordship in Council.

3. As the information hitherto furnished to you by the Minister and the house of Messrs. William Palmer and Co., respecting their mutual accounts, is

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Letter from Secretary to Government.

too vague and general to form the basis of any satisfactory inquiry into the actual state of the pecuniary dealings between the Government of his Highness the Nizam and that firm, preparatory to a final adjustment, I am directed to take this opportunity of instructing you to call on both parties to furnish a complete account-current, exhibiting every item debited or credited on either side, commencing from the time when the house first had dealings with his Highness's Government, or at least going so far back as to include all charges now brought forward without any unexplained balance. These accounts will also include, of course, the loans made to the several officers of the Nizam's Government, to which the Minister's guarantee is considered to be in any degree pledged, and which, in the late statements received from you, appeart o have been overlooked.

4. I am also directed to communicate to you the following observations and orders of his Excellency in Council on another point noticed in your despatch, on which further information is indispensably necessary, to a full understanding of the real nature of the subject to which it relates.

5. The point in question has reference to Mr. William Palmer's statement, in explanation of the large monthly allowances held by him and his brother, Mr. Hastings Palmer, and the stipends to the children of the former from the Government of his Highness the Nizam. On the subject of the allowance to Mr. Hastings Palmer, the statement of Mr. William Palmer is entirely silent; it will be necessary, therefore, to ascertain whether the omission be accidental, or whether the house do not desire to offer any further observations in reply to the reference already made to them on that subject. With regard to Mr. William Palmer's explanation of his own and his children's stipends, it is sufficient to remark, that it is extremely unsatisfactory; and that although the right of the Nizam to confer what allowances he pleases on those who are now, or have been in his service, or on their families, be unquestioned, it cannot be expected by his Highness that the British Government should come forward to advance a large sum of money for the liquidation of heavy arrears on such an account. In the special instance under consideration, these arrears appear to have been accumulating in common with the other debts of the State, at an exorbitant rate of interest. If the above observations hold good in regard to pensions actually conferred by the Nizam himself, in the free exercise of his independent authority, they must apply with still greater force to the acts of a Minister, supposing the Nizam not to have been consulted in the appropriation of so large a sum of the revenues of the country in their present deteriorated state. Such an assumption of power on the part of Chundoo Loll, while engaged with us and enjoying our support, for the purpose of reducing establishments and expenses which the State was unable to bear, could never receive the sanction of this Government, and cannot, indeed, be regarded otherwise than as standing wholly at the pleasure of the Nizam. Such charges cannot be acknowledged by this Government.

I have, &c.

Fort-William,
19th November 1822.

(Signed) GEORGE SWINTON,
Secretary to Government.

(Enclosure No. 18 in Bengal Political Letter of 20th December 1822.)

Letter from Accountant-General.

To George Swinton, Esq., Secretary to the Government Political Department.

Sir:

I have the honour to acknowledge the receipt of your letter of the 2d instant, informing me that Government have it in contemplation to advance a loan to the Government of his Highness the Nizam, to the extent of a crore of rupees, more or less, on the security of the peshcush of seven lacs of Madras rupees, now paid by this Government to his Highness, and of certain purgunnas, the revenues of which are to be appropriated in mortgage, and requiring my opinion whether cash to that amount can be advanced from our treasuries without inconvenience to the public interests.

In reply, I beg to refer to the forty-second paragraph of my report on the sketch estimates for the current year, dated the 25th of June last, and to the

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Letter from Accountant-General.

the fourth paragraph of another financial report to Government submitted by me, under date the 31st of the following month, the former shewing that there was an available fund in our treasuries, much exceeding two crores, to be appropriated in aid of the home treasury in any mode which the Honourable Court of Directors might see fit to direct; the latter, that, in my humble opinion, the Court would not require further remittances of bullion from this country, to meet the bills which had been drawn upon them in payment of the late remittable loans. I should apprehend no inconvenience, therefore, from an immediate appropriation of a crore as contemplated, should Government see fit to order such an appropriation. The decision of the Honourable Court, however, on the point of further remittance, and generally on the appropriation of the surplus balances of Cash in the Indian treasuries, will probably reach this country in the course of a few weeks more.

3. As it is proposed that the whole amount of the money to be so advanced shall be redeemed at latest before the expiration of the present charter, but preferably in six or seven years if it can be so arranged, I am further directed to make the necessary calculation of the annual amount in excess of the peshcush, for which the Nizam's Government will have to make provision for the repayment of the loan, interest being calculated at the rate of six per cent. per annum.

4. At any time, upon three years' notice to be given by Parliament after the 10th day of April 1831, the present charter may cease and determine; its present term, therefore, may be taken roundly at twelve years.

5. The immediate or present value of the peshcush, at six per cent., for seven years, is Rupees 39,07,610; for twelve years, Rupees 58,68,660. The former sum falling short of the proposed advance by Rupees 60,92,390; the latter by Rupees 41,31,340.

6. On the principle of redeeming the loan of one crore in seven years, annual revenue in excess of the peshcush will therefore be required, to the extent of Rupees 10,91,360: this sum being the annual payment necessary to liquidate the advance of Rupees 60,92,390 principal, and interest at 6 per cent., in seven years.

7. In like manner, to redeem the loan in twelve years, a sum in excess of the peshcush of Rupees 4,92,774 per annum will be required; such annual payment being necessary to liquidate the advance of Rupees 41,31,340 in twelve years.

8. In other words, to redeem the proposed advance of a crore of principal, and interest at six per cent., in seven years, will require an annual payment of Rupees 17,91,360; and in twelve years, of Rupees 11,92,774: in part payment of either of which sums the peshcush of Rupees 7,00,000 may be withheld, the remainder to be provided for by an appropriation of revenue on the part of his Highness the Nizam.

9. With regard to the mode of effecting the remittance to Hyderabad, the Resident, I think, should be required to state what amount he may be able to raise by bills on the general treasury and western treasuries of this Presidency, and in concert with the Accountant-General of Fort St. George on any of the treasuries of that Presidency. What he may further require in actual remittances of cash, may be consigned to him, *via* Masulipatam, from this port, any time before the month of March next.

I have, &c.

Fort-William, 16th November 1822. (Signed) J. W. Sherer, Accountant-General.

(Enclosure No. 19 in Bengal Political Letter of 20th December 1822.)

To C. T. Metclalfe, Esq., Resident at Hyderabad.

Letter from Secretary to Government.

Sir:

1. In continuation of the subject of the instructions of the 19th instant, I am now directed to transmit to you the enclosed copy of a letter from the Accountant-

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Letter from Secretary to Government.

Accountant-General, and to communicate to you the further orders and observations of his Excellency the Governor-General in Council for your guidance, in the general adjustment and settlement of the pecuniary concerns of the Nizam's Government with the house of Messrs. William Palmer and Co.

2. You are already apprized that his Lordship in Council is prepared to advance a sum of money from the Company's funds, for the termination of all pecuniary dealings between the Nizam and the firm, with a view to relieve his Highness's Government of all debts outstanding at a heavy rate of interest, provided a term be fixed, and adequate security be afforded for the repayment of the sum, and that a satisfactory assurance is obtained of the Minister's cordial co-operation in those measures which are deemed expedient for the improvement of the Nizam's Government and country. Taking the amount to be thus advanced at a crore of Calcutta sicca rupees, his Lordship in Council would fix the rate of interest at six per cent., and would require (what has been offered by the Minister) our retention of the Circar peshcush during the period, and the mortgage of certain purgunnas, the rent of which, added to the peshcush, would complete the liquidation within the time so agreed on. The interest on the loan will be charged annually on the peshcush. For the principal, the period of repayment cannot be precisely determined, until it be ascertained to what extent funds in addition to the balance of the peshcush can be assigned for the purpose; but his Excellency in Council conceives that the term might expediently be fixed at six years, no instalment beyond the peshcush being made payable till the end of the second year, after which the payment in excess to the balance of peshcush in liquidation of the principal might be so regulated as to secure the extinction of the debt within the assumed period, without weighing too heavily on the Nizam's finances, which will be materially relieved by the vast saving in interest accruing to the state by the termination of the loans contracted with the house of William Palmer and Co. On this point, however, namely, the time of repayment and consequent amount of instalments, his Lordship in Council is willing to accommodate the Minister, by an extension of the period for any further term of years not exceeding the limits of the present charter, should it really be found impracticable to assign purgunnas yielding an annual sum sufficient, with the reserved peshcush, to extinguish the debt within the first-mentioned time, without diverting the resources of the State from other essential purposes, and rendering it necessary to anticipate its revenues.

3. Supposing the above conditions to be acquiesced in by the Minister, and the accounts lately called for in my letter of the 19th instant produced by the house, and the balance adjusted by the consent of the parties, his Excellency in Council is of opinion, that it will not be indispensable to delay the final settlement, in order to ascertain precisely the extent of pecuniary claims on the Hyderabad Government, which probably the Minister could not furnish with absolute exactness, because the relief will, at all events, be so effectual as to remove all the difficulties of the Hyderabad State. It would especially extinguish all connection between the house of William Palmer and Co. and the Minister, placing that firm on the proper footing of having no negociations with the Government but through the channel of the Resident.

4. Consonantly with the principles on which we propose to enable the Minister to discharge the demands of the house upon the State, his Lordship in Council conceives our procedure should be, to see that all claims justly arising out of arrangements sanctioned by the British Government were honestly liquidated; but arrears of stipends, for instance, or gratuities to the house extraneous to the licit course of the contracts, and demands springing out of credit spontaneously given by the house, either to the Nizam or individuals, must rest entirely on the good faith of the parties so trusted, the objects being unconnected with the particular views countenanced by this Government. With all such debts you should have no cognizance.

5. Although it has seemed proper to establish this principle, it will nevertheless be at the discretion of Government to relax it in favour of other demands, should it seem desirable, on grounds of expediency, to extinguish the whole debt to the house, in order finally to remove all chance of future embarrassment

to

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Letter from Secretary to Government.

to the Nizam's Government, arising out of the non-payment of such demands, which would thus continue to run at a heavy rate of interest.

6. With a view to the further relief of his Highness's Government, the Governor-General in Council will not object to take into consideration the application of any portion of the proposed advance of one crore of Calcutta sicca rupees, which may remain after the adjustment with Messrs. William Palmer and Co., to the discharge of the most pressing debts to the native Soucars and others, or to the accomplishment of an arrangement, by which the interest on those debts generally may be reduced to such a scale, as to afford the hope of their extinction within a reasonable time. On this head you will be pleased to submit such suggestions as may occur to you; bearing in mind, that though the primary object of the present measures is the adjustment of the demands of Messrs. William Palmer and Co., it is the wish of his Lordship in Council to render them as extensively available for the benefit of the Nizam as the assigned fund will admit.

7. With regard to the claims of Messrs. William Palmer and Co. generally, his Lord in Council is of opinion, that on your receiving from the house the full and accurate accounts above referred to, and submitting them to the Minister for such observations as he may desire to make thereon, a meeting of the parties might be advantageously convened, to adjust their respective accounts in your presence, upon the principles above prescribed. It will, of course, be an object of some importance that this adjustment should be effected as speedily as possible, with a view to relieve the Hyderabad State from the high rate of interest at which the present loans stand, and to enable the Minister to make the necessary arrangements for the liquidation of the amount to be advanced by us.

8. You will, of course, report the result of your proceedings under these instructions, submitting for the consideration of Government a detailed statement of such debts as may appear to you to come within the scope of the principle now laid down, and such as you conceive to be excluded; when it will rest with his Excellency in Council to determine what items are to be rejected as inadmissible, on the ground of their not being *bonâ fide* of a public nature, or of their coming within the exceptions above adverted to.

9. The payment to Messrs. William Palmer and Co. of the sum which may be ultimately recognized, is to be regulated in the manner pointed out by you in the thirty-fourth paragraph of your despatch of the 8th September. The adoption of that mode will effectually guard against any injury to which the firm would otherwise be exposed by the sudden and immediate discharge of their whole debt. It will be necessary, at the same time, to fix some limit to the period for which such indulgence of gradual repayment is to be extended to the house. The rate of interest from the date on which payment may be postponed, solely to meet their inconvenience, should undoubtedly not be higher than that which you have proposed, namely, twelve per cent. Moreover, with regard to the sums which, on the final adjustment of the accounts, shall be recognized to be due from the State of Hyderabad to Messrs. William Palmer and Co., it appears to his Lordship in Council to be highly expedient, that the payment should be made directly by you to the house, and not through the Minister, by which means all possible misappropriation by the latter of the funds in question will be precluded, as well as all future discussions or embarrassment arising from such a cause.

10. If any severe or extraordinary pressure on the house of Messrs. William Palmer and Co. (arising out of the pecuniary arrangements recently adopted by Government, or now contemplated) should appear to you to render it of serious importance to Messrs. William Palmer and Co. to receive immediate repayment of some portion of the debt due to them from the Nizam, you are authorized, without waiting for the final adjustment of accounts, in the manner above directed, to make an advance to the house of a sum not exceeding ten or twelve lacs of rupees.

11. On the subject of effecting the remittance of the necessary funds to Hyderabad, you will be pleased to report, as suggested by the Accountant-

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General, what amount you may be able advantageously to raise by bills on the general treasury and Western treasuries of this Residency, and in concert with the Accountant-General of Fort St. George, with whom you will be pleased to correspond. You will observe that a remittance in cash, to any extent you may deem expedient, can be made at any time till the month of March next from this Presidency, by a sea conveyance, to Masulipatam. Probably this may be the best mode of supplying such sums as may be immediately required. The mode of repaying the balance may be adjusted in communication with the house, by granting bills on the several treasuries, at fixed periods previously agreed on, of which timely notice must be given to the Accountants-General of this Presidency and of Fort St. George. On this point, you will, of course, take into your consideration the extent to which bills may be drawn on the Bengal or Madras provinces, without materially affecting the rate of exchange, and how far, therefore, we ought to make remittances in cash at the charge (as of course they will be) of the Nizam's Government. To this it is not conceived that the Minister could offer any well-grounded objections, considering that the accommodation thus proposed to be extended to him will be obtained on infinitely easier terms than he could have got elsewhere.

12. In apprizing you fully of the views and intentions of Government, with respect to the mode of advancing a sum of money for the relief of the Hyderabad Government, and the conditions to be annexed to the grant, his Lordship in Council, you will observe, has treated the subject as if it were ultimately settled that the British Government shall come forward to pay off the debts due to Messrs. William Palmer and Co. You will be careful, however, in your communications with the Minister on this subject, to let him distinctly understand, that we are not pledged to the fulfilment of our present intentions, until we are fully satisfied on every point of discussion which may arise in the adjustment of the accounts, and the terms on which the advance is to be made, as well as assured of the Minister's disposition to the effect already described in the fourteenth paragraph of the instructions of the 13th September last.

13. On this latter point I am directed to communicate to you the following observations, which you will be pleased to state to Rajah Chundoo Loll, with an intimation that the British Government expects to receive satisfactory assurances on the points alluded to, as preliminary to the conclusion of the proposed arrangement for the relief of the Nizam's Government.

14. You will state to him, in the name of the Governor-General in Council, that until he shall agree to establish a regular system of settlement, collection, and account, the British Government can have no assurance that the advance of its funds would be attended with any permanent advantage. Without such engagements on the Minister's part, the relief from his present embarrassments might only the better enable him to commence a new course of extravagance, and at the end of a few years the State would be equally involved, while the peshcush, whence it might be disembarrassed, had been already appropriated.

15. The first of the objects above stated has been in a great degree accomplished by you. With regard to the others, the Governor-General in Council is not prepared to prescribe the particular measures to be pursued; but the appointment of responsible officers, liberally paid, the establishment of a Sudder Office of Revenue Accounts, to which all the Tehsildars and other Mofussil officers should be subordinate, and which should exercise a general supervision of the revenue administration under the Minister's immediate direction, and also the institution of a general treasury, in order to supersede the ruinous practice of granting tunkhas on the districts, seem to be indispensable arrangements, and you are desired to press their adoption on the Minister.

16. With regard to the purgunnas to be eventually mortgaged to us, it is expected that we shall have the option of taking them under our immediate management, should such a measure be deemed expedient by us.

17. It is not considered necessary to enter into any discussion here of the debt due by the Nizam to the British Government, on account of the revenues of the territory conquered from the Paishwah collected by his Highness. It will be sufficient to remind the Minister that this debt is not lost sight of, and

that

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Letter from Secretary to Government.

that we reserve to ourselves the right of retaining the peshcush or the mortgaged purgunnas for such further term, after the liquidation of the sum advanced for the purposes stated in the preceding part of this dispatch, as shall be sufficient to repay the amount, with interest at six per cent. On the receipt of your reply to my letter of the 11th ultimo regarding the treaty, his Excellency in Council will probably receive such information from you on the subject of the territorial cessions and exchanges, as well as of the debt in question, as will enable him to state precisely the amount of our claim against the Nizam's Government on this head.

I have, &c.

Fort William,
23d November 1822.

(Signed) G. SWINTON,
Secretary to Government.

(Enclosure No. 20 in Bengal Political Letter of 20th December 1822.)

To C. T. Metcalfe, Esq., Resident at Hyderabad.

Letter from Secretary to Government.

Sir:

1. In continuation of my letter of the 19th instant, I am now directed by his Excellency the Governor-General in Council to communicate to you the following orders and observations, on the subject of the affidavit referred to in the forty-third and following paragraphs of your dispatch of the 16th ultimo.

2. On this point much remains to be cleared up. It would be superfluous to repeat the observations contained in the thirteenth paragraph of my despatch of the 13th September last. The circumstances stated by you, relative to the existence of Doctor Currie as a partner of the house of Messrs. William Palmer and Co., appear to be of that nature, that it cannot be supposed the members of the firm, by whom the affidavit was made, meant to conceal the fact of his connection with the house: still it will be proper to communicate to them the paragraph in my despatch of the 13th September, regarding the subject of the affidavit, and to give them an opportunity of stating any observations they may desire to offer of Doctor Currie's partnership.

3. It will also be necessary to inquire from them, what was the precise period of time which the affidavit of Sir William Rumbold and Mr. William Palmer was intended to embrace. The natural conclusion is, that with respect to the former, he could only speak to the time from which he himself had been admitted a partner; but Mr. William Palmer's statement, unless specially limited, must be taken to comprehend the whole period since the first establishment of the concern now known by the firm of William Palmer and Co.

4. You are further desired to call on Messrs. William Palmer and Co., in elucidation of the affidavit, individually to declare, whether any or what other persons, now or heretofore officially attached to the Residency at Hyderabad, were at any time directly or indirectly partners in the house now conducted under the firm of William Palmer and Co., either before or after the assumption of that designation, or did either before or since in any manner participate in the profits of the same, derived either from loans or advances to the Nizam's Government, or otherwise. They will also be pleased to specify the names of the parties (if public officers belonging to the Residency) adverted to in the second paragraph of their affidavit, stated to have derived benefit from the house of William Palmer and Co., and to have supported that firm with their capital at the commencement of the establishment.

5. It will be indispensably necessary for you, in submitting their reply, to accompany it by such explanatory statements and information as may assist the Governor-General in Council in forming his judgment on the case.

6. The Governor-General in Council desires to leave it to the option of Messrs. William Palmer and Co. to make their several declarations, on the points above noticed, in such manner and form as they may deem proper.

7. In calling the attention of Messrs. William Palmer and Co. to the several subjects on which further information is considered necessary, you are at liberty to communicate to them a copy of this despatch.

I have, &c.

Fort-William,
30th November 1822.

(Signed) GEO. SWINTON,
Secretary to the Government.

(Enclosure

Enclosures in Bengal Political Letter, 20 Dec. 1822.

Mr. Adam's Minute, 1 Nov. 1822.

(Enclosure, No. 21 in Bengal Political Letter of 20th December 1822.)

MR. ADAM'S MINUTE.

I proceed to state the reasons which compel me to record my dissent from the instructions which have been despatched to the Resident at Hyderabad, in reply to his reports of the 31st August and 3d and 5th September. It is with unfeigned regret that I find this unpleasant task imposed on me, and with considerable disappointment, also, as the tenor of the instructions to the Resident of the 13th September had created a hope, that those differences of sentiment which have unfortunately prevailed at the Board relative to the affairs of Hyderabad, were about to be replaced by a more cordial agreement of opinion. The last-mentioned instructions do not, indeed, professedly refer to the specific measures adopted by the Resident for the reform of the Nizam's administration and the good of his people, but the cordial co-operation of the Minister in the reform was distinctly stated in them to be one of the conditions of our support, generally, as well as of the specific accommodation to which the letter in question more immediately related. The Minister was also strongly and justly censured in the same letter, for the misapplication of funds placed at his disposal under the sanction of the British Government, and for having failed to enter into the reform admitted by himself to be necessary to save the state from ruin, with that zeal and cordiality which we had a right to expect, and to which he had distinctly pledged himself. I could not, therefore, join in sentiments so favourable to the conduct and disposition of Rajah Chundoo Loll with regard to the reform, as are contained in the instructions* of the 25th of October, just transmitted; or ascribe Mr. Metcalfe's exposure of his demerits to prejudice or pique on the part of the latter, without recalling my formerly declared opinion.

In like manner, the disapprobation expressed of some of Mr. Metcalfe's measures, seems to me scarcely reconcilable with the tenor of previous communications to him, or with the views and principles on which our intervention for the amelioration of the administration and country of the Nizam was undertaken. It is almost unnecessary to advert to the few preliminary and unimportant steps taken by Mr. Russell, under the original instructions transmitted by the Governor-General. The report furnished by that gentleman, under date the 1st September 1820, did indeed exhibit a very satisfactory picture of the reformation effected by the joint efforts of himself and the Minister. The remark, however, was almost unavoidable, that so much could hardly have been effected for the reform of such inveterate abuses as were represented in so short a period, and without any apparent effort. It accordingly appeared, on Mr. Metcalfe's arrival at Hyderabad, that little real progress had been made towards the effectual eradication of the evils and oppressions under which the country groaned, and the resources of the Government were rapidly crumbling away.

The objects to which Mr. Russell's attention had been specifically directed, in reply to a despatch from him,† describing the general state of the government and country, and his opinions as to the best means of improving it, are comprehended in the following extract from a letter addressed to him, under date the 22d of January 1820. "His Lordship being anxious to establish the prosperity of the Nizam's dominions and the happiness of his subjects, authorizes you to interpose your advice and influence for those purposes. A salutary controul over the internal administration of the country, accurate accounts of all establishments, receipts, and expenditure, the correction of abuses, a proper distribution of justice, the reduction of expense, the amelioration of of the revenue system, including the customs and duties levied on commerce, the improvement of resources, the extinction of debt, the efficiency of troops retained, and the discharge of such as are useless, are objects to which your attention will be naturally directed. The Minister, Chundoo Loll, appears to be the fittest person to be employed as the chief instrument for carrying into effect the proposed reform. In order to secure his faithful and zealous assistance, you are authorized to assure him of the protection and support of the Governor-General in Council."

Mr. Russell had in his letter strongly urged the necessity of active interference and controul in the internal management of the country, as the only means of saving

* Vide page 224.

† Letter from Mr. Russell, 24th November 1819. (See page 90.)

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Mr. Adam's Minute, 1 Nov. 1822.

saving it from ruin. "Notwithstanding the objections," he writes, "which I "know are entertained, on general grounds, against interfering in the domes- "tic concerns of our Native Allies, it is a melancholy, but an unquestionable "fact, that they have fallen into too abject a state of ignorance and weakness "to be left with safety to themselves; and I am persuaded that nothing short of "a close, vigilant, and decided controul over the internal administration of the "country, will be attended with any real or lasting benefit." He qualifies this declaration, by stating that this controul should be exercised through the medium of advice and influence, and not by the direct exertion of authority, meaning, I suppose, against the expressed wish of the Minister. But the way in which he would discriminate the limits between active and direct controul, and that which is to be exercised through influence with the party to be controlled, is not very intelligibly expressed, and was not perhaps clearly settled in his own mind.

The very nature of the case, indeed, must leave so much to discretion to be exercised on the spot, that a previous definition of the proper limitation of controul and interference could scarcely be attempted.

The terms of Mr. Russell's despatch, however, and of the instructions in reply, seem to leave no doubt of the intention of Government to carry its interference to that extent, that would be necessary to secure to the State of Hyderabad the full benefit of the assistance tendered and accepted.

Mr. Metcalfe proceeded to Hyderabad unfurnished with any specific instructions; but the prosecution of the reform was fully understood to be the primary object of his mission, and of the policy of the British Government in that quarter. He was to be guided, as to the particular course of measures to be pursued for that purpose, by his observation on the spot of the actual nature of the evils to be corrected, and by the general principles laid down in the instructions transmitted to his predecessor. The situation in which he found the Nizam's affairs, and the general condition of the country and its inhabitants, have been so distinctly detailed in Mr. Metcalfe's dispatches,* as to render it only necessary to refer to them. He at once perceived the main source of every evil to be in the exactions systematically and unrelentingly wrung from the country, without regard to the capacity of the land to bear them; and that the foundation of all remedial measures must be a careful settlement of the revenue, and an accurate ascertainment of the demands of Government, accompanied by suitable precautions for securing an adherence to the engagements with the landholders and cultivators. Another great desideratum was the reduction of charge, so as to bring the expenditure within the income of the State.

Measures were early taken for entering on a general settlement of the country, with the "ready assent of the Minister," in some districts, under the immediate superintendance of British Officers in the Nizam's service, acting in virtue of powers from the Minister, and under the instructions of the Resident: in others, under the supervision of the Minister himself. The success of the measure in the districts superintended by English Officers was complete. In the portion of the country taken into the Minister's own hands it was less so; and the discovery of the disposition of the Minister and subordinate offices to infringe the terms of the settlement, and exact more than they authorized, rendered it necessary, in Mr. Metcalfe's judgment, at a later period,† to vest certain European officers of his Highness with authority to listen to complaints of that nature, and to obtain redress for them by application to local authorities, or by representation, through the Resident, to the Nizam's Government. The importance of this arrangement is strongly insisted upon by Mr. Metcalfe, who declares, that "our interposition for the essential purpose of limiting the demands of the "Government on the people, and giving confidence to the latter, would have "been utterly fruitless without this indispensable measure of precaution." These officers were also directed to give their attention to the suppression of depredations, robberies, and such crimes as affect the community: an arrangement which is described in the instructions as an ostentatious assumption of the Government, and calculated peculiarly to agitate Chundoo Loll, as inspiring doubts

* Mr. Metcalfe's Despatches, 2d February, 20th March, 7th November 1821; and 20th June 1822.

† Mr. Metcalfe's Letter of 31st August 1822.

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doubts of our sincerity, and as exposing him to the probable indignation of his master, to whom his acquiescence would be misrepresented. I gather from Mr. Metcalfe's despatches,* that even these last arrangements were made with the express consent of the Minister. It is not likely, indeed, that the first duty assigned to the officers in question could be palatable to him, as it was to check the exactions of himself and his subordinate officers; but he could not decently oppose a measure, which had for its professed object the protection of the cultivators and the security of the public resources. With regard to the functions subsequently assigned to those officers, I see nothing in them to which the willing assent of the Minister may not be fairly and reasonably assumed. There was nothing in the manner in which the office was to be executed at which the Minister could justly take exception. "Their power (says "Mr. Metcalfe) was limited to advice, remonstrance, and representation; "except in the case of seizure of banditti or other criminals, where injury "to the community might result from delay in their apprehension, in which "case these officers were empowered to seize, for the purpose of delivery to "the local authorities." In another place he says,† "In exercising the power "entrusted to me, one of the objects most carefully kept in view is to avoid all "unnecessary interference: all instructions to the gentlemen employed on the "Nizam's service are accordingly framed in conformity wish this view. They "are not allowed to issue orders; they inquire and report; they aid and advise "the local authorities. They are to remonstrate, in the event of oppression or "violation of engagements on the part of Government; but their functions are "not authoritative: and though, as checks on oppression, they may sometimes "be in collision with local powers, they are enjoined, in every other respect, "to co-operate with them, and to uphold the Nizam's Government by all means "in their power. Another object of equal importance, which is secured by the "same means, is to keep entire and unimpaired the whole system and machinery "of the Native Government, so that when the time shall come when our inter-"vention may be withdrawn without detriment to the people, that measure "may be adopted without any derangement or obstruction of the movements "of the Government. As a part of this plan, as well as proper in other respects "no interference whatever takes place in the nomination of native officers of "any grade. When any of them are guilty of extortion or oppression, their "misconduct is represented to the Government, and they are generally dis-"missed; but in no instance have I, by recommendation or otherwise, directly "or indirectly promoted or influenced the nomination of their successors." We have no reason to suppose, that the practice has been otherwise than as here described.‡ The only instance of specific complaint against any of the European officers employed has been shewn to be groundless. Of the several measures above referred to, all, with the exception of the last, were reported by Mr. Metcalfe either before or immediately on their adoption; and the silence, or expressed approbation of Government, were equally calculated to confirm in his mind the belief, that he was acting in conformity to the intentions and the wishes of the Governor-General in Council.

In his first dispatch from Hyderabad, dated the 2d February 1821, Mr. Metcalfe describes the vices of Chundoo Loll's revenue administration in strong, and it cannot be doubted, just terms of censure, and asserts that there is not a shadow of justice or police in the country. He then adverts to the comparative amount of expenditure and income, and states that, according to the best judgment he can form from the accounts obtained from the Minister, the expenditure exceeds the revenue by ten lacs per annum, after allowing for the advantages gained by the Nizam in consequence of the late war, and all reductions actually effected, and without allowance for what he had to cede to the British Government. After stating the reduction of expenditure within the income, and the formation of a village settlement throughout the country for five years, as the immediate objects to be effected, he remarks, that the former will be difficult and unpopular, as it will affect numbers of idle and worthless characters who devour the resources of the state, and that the latter will also be sure to be vigorously opposed; that he could hardly reckon on the zealous support of the Minister in either scheme, but that he did not despair of his acquiescence.

After

* See particularly Mr. Metcalfe's despatch of 30th September, paragraph 49.

† Mr. Metcalfe's despatch of 20th June 1822. ‡ Ditto, 30th September 1822.

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After alluding to the habitual want of faith with the cultivators, Mr. Metcalfe proceeds as follows: "To insist on good faith being kept by Government and "its agents with the cultivators with regard to all engagements, to take care "that the Government and its agents do not exact more than the acknowledged "rights of the Government, these are objects, the successful accomplishment "of which would go far towards the restoration of prosperity, and for which I "shall never hesitate to exercise direct interference in every part of the country; "for, without it, they could never be accomplished." He then alludes to the great benefit that would result from the appointment of European managers in the several districts, but considers that to be prohibited by his instructions, and undesirable in itself, if avoidable, as taking the Government out of the hands of the Nizam and the Ministers. "The occasional interference, however, of the "European officers of the Nizam's service, for the prevention of oppression and "breach of faith on the part of local anthorities in the vicinity of their respec-"tive posts, is indispensable; and I shall, without scruple, have recourse to this "assistance whenever it may seem necessary. Indeed, I have already acted on "this principle in several instances." Mr. Metcalfe closes the despatch from which the foregoing passages are extracted, by stating that Mr. Russell had adopted the habit of receiving the petitions of complainants, and transmitting them to the Minister for redress, and had authorized the Agent at Aurungabad and the officers of the Nizam's service to do the same, and forward them to the local authorities or to the Resident, as the case may require. Thus early was laid the foundation of the system so much condemned in the instructions lately dispatched.

Mr. Metcalfe was informed, in reply to his report above cited, that the contents of it were considered by the Governor-General in Council to be extremely interesting, which could only be regarded by him as encouragement to proceed. In that dispatch he candidly unfolds his own views and intentions; and I submit that that was the time to correct any misconceptions into which he might have fallen, with regard either to the objects or the means of the intended reform. He himself could not suppose otherwise, than that his plans were approved and would be supported. The intention of interfering was open and avowed. Even the arrangement that must have been least agreeable to the Minister, that of establishing a check on the ill faith of the Nizam's officers towards the cultivators, was shewn to be in contemplation, and the reception of appeals against the Minister and his Agents was followed up from the practice of Mr. Russell, whose disposition was certainly not to force unpalatable measures on Rajah Chundoo Loll. On the 20th of March Mr. Metcalfe reports, that the Minister had acceded to the proposal for a settlement of five years, and that it was in progress: that in the southern districts it was to be effected by the Minister in concert with the Resident; in the northern, by the British officers, to be selected for the purpose. In this despatch he dwells on the merits of the officers so selected, and regrets that the same plan could not be extended throughout the country; from proposing which, however, he abstained, from deference to the Minister, on his undertaking to superintend a part of the settlements himself.* These arrangements were stated in the reply to Mr. Metcalfe's despatch, reporting them to be considered judicious, and important benefit is predicted from them. The assistance derived and expected from the British officers is also spoken of in terms of commendation.

Soon after Mr. Metcalfe reported† his having proceeded on a tour through the country, to observe the progress and effect of the settlements; a step which has since been complained of by the Minister, as evincing too direct an interference in the affairs of the country, but which was expressly approved‡ by the Governor-General in Council, and he reported, in brief and general terms, the result of his observations, in a despatch dated the 7th of November 1821. He afterwards made another tour through a different part of the country, as reported in his despatch of the 20th of June 1822. In the interval, namely, on the 27th of May, the Governor-General had expressed, in a minute of that date, an opinion, that Mr. Metcalfe had carried the principle of interference too far; but, for reasons which have been stated on our proceedings, that minute was

* Letter to Mr. Metcalfe, 7th April 1821. † Mr. Metcalfe's Letter of 16th April 1821.
‡ Letter to Mr. Metcalfe, 5th May 1821.

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was not recorded at the time, and no communication of his Lordship's dissatisfaction then, or at any subsequent period till now, made to Mr. Metcalfe. He naturally, therefore, proceeded in the course which he conceived former instructions to have prescribed to him.

In almost all the reports to which I have referred, the Resident has spoken in terms of unqualified censure of the principles and conduct of Rajah Chundoo Loll, whom he repeatedly describes as faithless, rapacious, and indifferent to the welfare of a people, whom accident had placed almost entirely under his absolute sway. Mr. Metcalfe bears ample testimony, at the same time, to his experience, skill, and ability in business, and to his attachment to the British Government, on which he relies for support. The necessity of adequate provision for preventing the Minister from clandestinely defeating measures of reform, ostensibly assented to, and even applauded by him, is dwelt on; and no where is any opinion expressed by Government that such a description of the Minister is incorrect; or that Mr. Metcalfe's apprehensions of counteraction, and the consequent necessity for precaution, are exaggerated.

The foregoing detail will, I fear, appear tedious: but it has been necessary to mark the grounds upon which I am constrained to withhold my concurrence from instructions which take a view of the conduct of the Minister and the Resident, so opposite from that which the past proceedings had suggested to my mind. The opinion pronounced by Mr. Metcalfe of Rajah Chundoo Loll, appears to me to have its foundation in a near and accurate observation of that Minister's measures, quite sufficient to justify his entertaining it. I seek in vain, either in the information before us or in Mr. Metcalfe's general character, for those causes of dislike to the Minister which the instructions assign. The declared motives for mistrust appear to me sufficient to account for it, without seeking for others; and my view of those transactions must be completely erroneous, if Chundoo Loll has fulfilled his own promises or the expectations of the British Government, in a degree to entitle him to the applause he has received.

I am quite sensible of the importance of a cordial co-operation between him and the Resident; and I firmly believe that, notwithstanding his momentary disinclination to reforms, which cut off sources of corrupt profit to his dependants, and seemed for a time to contract his own means of expenditure, his good sense and penetration would have enabled him to see the permanent advantage of the measures suggested by Mr. Metcalfe, which, indeed, he has since repeatedly acknowledged, if an improper influence had not been employed to create division between him and the Resident. I shall advert to this subject in the sequel, and will merely remark here on the singular fact, that not a breath of complaint was heard against Mr. Metcalfe's measures of reform, till other proceedings seemed to affect the interests and profits of the house of William Palmer and Co., although the former had been settled and advanced in their progress a considerable time before. This circumstance, coupled with the collateral evidence brought by Mr. Metcalfe to prove the connection between the intrigues of that house and the complaints of the Minister, leave no room on my mind to doubt the fact, of their having engaged the latter in a plan to effect either Mr. Metcalfe's removal, or the suppression of those measures which were likely to interfere with their usurious profits and improper influence over the Minister.

Before I pursue this topic further, I beg leave to offer some remarks on the subject of our interference in the affairs of the Nizam's Government with the view of effecting the reform. The general principle stated in the instructions as precluding our right of interference, is, in the abstract, incontrovertibly just; but I venture, with every deference for the authority from which it proceeds, to doubt its applicability to the actual condition of the Nizam's Government and our relations with that prince. If the State of Hyderabad retained any thing of its pristine strength, even as much as remained to it when it engaged in the alliance, I should hold the principles on which the treaties were formed as the unerring guide of our procedure in all matters between the two states. I have always seen cause to regret the departure from those principles evinced in our interference to direct the Nizam's choice of a Minister, and in other cases, and in

in none more flagrantly than in that arrangement which established Chundoo Loll in his absolute authority. Tempting as was the immediate advantage, it was dearly purchased by an assumption of power on our part, which though not so intended, was regarded, both by the Nizam and his people, as proclaiming that the independence of his Highness was a mere name. Even before this transaction, the spirit of the original alliance had fallen into decay, from the natural operation of a subsidiary alliance, when proper counteracting measures are not applied to check the tendency of the subsidizing state to rest on its ally, and neglect the sources of its own stability and internal independence. Lamentable as the consequences have been to the Government and country of Hyderabad, and much as we may be chargeable with contributing to produce it, it is impossible to disguise from ourselves, that for some years past the State of Hyderabad has been in a condition of absolute dependence on us; that its own power has been a mere shadow; that it has been prevented solely by our support from crumbling to pieces, and becoming the prey of internal anarchy; that the Minister has been avowedly the creature of our will; that every political measure has been dictated by us, and that our abstinence from taking an equally decided part in the internal administration, combined with the proper causes of decay, had brought it to the condition in which it was, when we found the reform forced upon us.

I profess my inability to perceive, in a Government and country so situated, any semblance of that independence, with regard to internal concerns, which the theory of the alliance recognizes. I do not draw from these facts any inference favourable to our assuming a despotic rule over this broken-down effete government. Justice and policy alike claim from us an endeavour to replace it in something like the exercise of an independent authority, to restore its prosperity, and to reinvigorate its resources. But this obligation imposes on us the corresponding one of taking effectual measures for the purpose: and I see nothing revolting, but every thing encouraging, in the exercise of the degree of interference necessary for those admitted beneficial purposes, to a state incapable of recovering itself by its own energies.

The reform of the Nizam's administration is not a novel contemplation for the British Government. Its deplorable state has long been lamented, and it is probable that nothing but the more pressing urgency of other objects prevented the adoption of earlier measures for the purpose. It was generally acknowledged, that after the grand pacification of India by the destruction of the Pindarries and the subjection of our other enemies, no object would more strongly press itself on the attention of the British Government. The unaided exertions of the Government of Hyderabad itself were never imagined; and it was quite evident to every one, that the work, if done at all, must be done by us. So long ago as 1810, Captain Sydenham, the Resident, expressed himself on this subject in the following emphatic terms, in a despatch of the 29th of May of that year. "With regard to the amelioration of the state of this "country, I am convinced that, during the reign of the present Nizam, no "improvement can be expected, without the administration of the country be "placed under the controul of the Resident. The defects of the present "Government are too deeply rooted and widely extended, to admit of any "partial reform; and it is therefore unfortunate, that the only effectual remedy "that can be applied should be so much at variance with our views and "policy." The same opinion was professed by Mr. Russell.

When, at length, the reform was undertaken, the assistance of Chundoo Loll was counted on, because, with all his acknowledged faults, he was esteemed the fittest man at Hyderabad to execute our views. He was the actual Minister, and was such by our selection, which naturally made us look to him as the most available instrument. But the very terms in which his character and qualifications for the work are discussed in the correspondence, imply that if we had not thought him so, we should not have hesitated to suspend him virtually, at least, if not ostensibly.

The very essence of the reform, then, was our interference; and though I acknowledge that it should, on every account, be as limited as possible, and I believe it has been so, the limitation was to be measured only by the efficacy of

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the interference for its purposes, and not by any reference to an illusory independence, which had long ceased to exist. I must take this principle to have been fully admitted, even as towards the Nizam himself: as affecting Chundoo Loll there could be still less scruple. It is to be remembered that he is the Minister, not the Regent of the country, and that he must owe responsibility to some one. The Nizam's seclusion from public affairs, and the stipulated nullity of the Chief Minister, precluded the notion of his being substantially accountable in those quarters. To whom, then, was he so, but to the British Government, which had been, in this instance, compelled to stand forth for the re-establishment of the prosperity of the State? In the instructions under review it is stated, that " Attaching to the Minister a direct responsibility, we would uphold him " so long as he displayed a just and provident rule." I can form no other notion of this responsibility than its being due to the British Government.

On all these considerations, I must regard the Government of Hyderabad as taken out of the general principle, which precludes our interference with the internal affairs of foreign states; and the degree of interference which we have exercised, for the reformation of existing and crying abuses, to have been abundantly justified by the necessity of the case.

With regard to Chundoo Loll's general claim to our support, I am very far from undervaluing it. His attachment and devotion to the British Government are undeniable, and his exertions during the late war were in the highest degree meritorious and useful. He has, however, received no insignificant return in our decided and effectual support, to which alone, as he himself has frequently acknowledged, is he indebted for the preservation of his power, and perhaps his life and honour. The renewed pledge of support made when the question of reform was agitated, must be regarded as strictly conditional on his active and cordial co-operation in our measures for the benefit of his master and his Highness's subjects. Beyond that limit, I recognize no obligation to support Chundoo Loll, though in the actual circumstances of the Nizam's Government and court, the expediency of employing the weight of our influence in the maintenance of a Minister, whose attachment to our interest is stimulated by such powerful incentives, cannot be questioned. On this ground, the instruction to Mr. Metcalfe, in the letter of the 13th September, to renew the assurances of our support while he should cordially act with us, had my unqualified concurrence. That weight I should think it both equitable and expedient to throw into the Minister's scale, even were the Nizam himself, in his present circumstances, to display an intention of removing him. Were that prince, however, to resume a direct share in the Government, and to manifest a decided interest in public affairs, such as would distinguish any procedure of the kind supposed, from those starts of caprice which in the actual state of things alone influence his conduct, the case would admit a very different view. It would then become a nice and serious question, how far our past connexion with, or actual reliance on the Minister, would warrant our supporting him in office, in direct and open opposition to the declared wishes of the Prince. Consistently with the opinion I have expressed regarding the means by which his power was confirmed, I should decide that question in the negative, though I should think it our duty to shield him from ill usage and oppression. We should be entitled, however, to demand from the Prince himself those compliances which we now require from the Minister, and our influence would probably not be found in the end to sustain any diminution. I consider the discussion of these points to be little more than mere speculation, however, since the resumption of his proper place in the Government by the Nizam seems wholly improbable, and equally so any serious attempt to remove the present Minister while he is known to have our support. The subject being mentioned in Mr. Metcalfe's despatch and in the reply, I could not properly pass it by without notice.

The importance of a cordial good understanding between the Minister and the Resident is strongly felt by me, and I concur in the regret expressed in the draft at the existence of any estrangement between them. Some of the causes of dissatisfaction have already been touched upon; but I feel the most powerful persuasion, that their co-operation would long since have been unclouded by any serious difference, if the Minister's fears and jealousy had not been worked upon by others for their own private purposes. This part of the subject is so much

much connected with the second object of reform alluded to at the commencement of this Minute, namely, the reduction of the expenditure of the State below its income, that I shall beg leave to consider them together. A primary cause of that excess of expenditure, and a source of many other evils and inconveniences, was the heavy interest of the public debt, chiefly to Messrs. William Palmer and Co., and the anticipation of the revenues by the grant of tunkhas, or assignments, in payment of the current interest and gradual liquidation of principal. A plan for reducing the interest, and consequently of effecting the payment, by means less injurious to the resources of the state and the happiness of the people, was suggested by Mr. Metcalfe, and similar schemes had been previously discussed in Council. It is not necessary to dwell on those proceedings, or the obstacles that opposed the plans in question, since the latter have been happily removed, and arrangements are now in progress which will accomplish the objects originally contemplated. Those discussions had, however, a very sensible effect on the relations between the Resident and the Minister, through the influence exercised over the latter by Messrs. William Palmer and Co. Those gentlemen considered the measures proposed by the Resident to be injurious to their interests, and they seem to have thought the most effectual mode of averting them to be, to instigate the Minister, through the medium of his constitutional timidity and jealousy, against the Resident. The detail of these intrigues with this view, and of their ultimate explosion, in the transmission, through one of their own members, of the Minister's complaint to the Governor-General against the Resident, have been so minutely and clearly described in Mr. Metcalfe's despatches,* that even the most abridged review of them would be tedious and unprofitable repetition. Referring to those despatches, I desire to record my entire conviction of the correctness of the statements, and the fairness of the inferences deduced from them, as forming the clearest evidence of a conspiracy between the house and the Minister, to bring Mr. Metcalfe into discredit with his Government, and either to destroy his influence or effect his removal. Absurd as well as culpable as such a plan was, I cannot resist the weight of testimony by which its existence is supported. I shall not, in this place, attempt to anticipate the instructions that may be transmitted to Mr. Metcalfe, in reply to his despatch of the 30th September; but I must express my hope, that a decisive judgment will be passed on the case, that Mr. Metcalfe will be distinctly cleared from the imputations attempted to be thrown upon him, and that the sentiments of Government, with regard to the unjustifiable conduct of the house in the several particulars substantiated against them, will be recorded, and such further inquiries instituted with regard to those which remain doubtful, as may bring the real facts to light. All future combination between these parties for such unworthy and selfish purposes, will, I trust, be effectually prevented, by the prohibition of any intercourse between them, except through the Resident: a provision which will, I hope, be observed with unrelaxed vigilance on the part of that officer. No excuse for its infringement can remain after the settlement of their accounts, and any attempt to evade it ought to be visited with exemplary rigour. In the whole of this proceeding, the conduct of the Minister seems to me much less blameable than that of the house. His character renders him peculiarly open to impressions attempted to be made on his fears for loss of power, and even for his personal safety, which the supposed enmity of the Resident, as leading to his downfall, was calculated to create. A feeling of jealousy at the Resident's interference, another point on which a man of his character might be supposed to be easily assailable, was also excited by their artful insinuations. I have remarked already, that there was no word of complaint on this score, till after Messrs. William Palmer and Co. thought their interests would be promoted by detaching the Minister from the Resident, while the conduct of Chundoo Loll may, therefore, fairly be ascribed, in a great measure, to constitutional temperament, worked on by the arts of the other party and the boastful assertions of their own influence, which it is plain they made no scruple of persuading him was more powerful than that of the Resident. I cannot regard with the same indulgence the conduct of the members of the house, who seem to have been influenced by no other motive than the gratification of their own cupidity, at the expense of the State. Not satisfied with the inordinate

* Mr. Metcalfe's despatches of 3d and 30th September.

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inordinate profits derived from their large loans to the Nizam's Government at a high interest, and their extensive pecuniary dealings with the nobles and others of the court, yielding an enormous and usurious return, they seem to have grasped at an influence over the Minister, which should place in their hands a monopoly of the commerce and money dealing of the country, and to have aimed at the exercise of a direct authority, under his name and sanction, in various parts of the provinces, and even at establishing an interest in the Government capable of controlling the measures of the British Resident. To Mr. Metcalfe's resolute resistance of all these projects, I must ascribe the hostility they have evinced towards him, and their efforts to engage the Minister in schemes directed against that gentleman's official character and credit. A more yielding conduct on his part would, doubtless, have secured their good-will, and released him from much counteraction and embarrassment, though at the sacrifice of the essential duties of his public station.

To the same baneful influence is to be ascribed, in a great degree, the diversion into the coffers of the house of a considerable portion of the loan of sixty lacs of rupees, from which the British Government was taught to expect so large a reduction of actual charge by the payment and reduction of establishments. The transactions connected with that loan, and its appropriation, will form, however, the subject of separate discussion; and it is sufficient to allude to it here, to shew how little is to be expected from the Minister in the way of reduction, and how essential is the exercise of our interference and controul for effecting any useful or considerable saving.

There is only one other point in the instructions on which I am required to remark. The exception taken by the Resident at the Minister's transmitting a letter to the Governor-General through the house of William Palmer and Co. is cited, in proof of his being governed by an exaggerated sensitiveness with regard to the disposition of the Minister towards him. I profess that I cannot view it in that light, with the strong grounds possessed by him for suspecting the origin of that transaction, and the apparent insidiousness, on the Minister's part, of forwarding a complaint against him, at the moment he was professing the utmost cordiality. I can see nothing but indications of the most natural feeling in Mr. Metcalfe's conduct and language on this occasion. I consider the whole as a bold attempt to bring to a point the intrigue which the house had been for some time working at against Mr. Metcalfe and the measures of the British Government, and in which they had entangled the Minister. The conduct of either party is not easily explicable in any other way. The Minister had evidently been persuaded into a belief that Mr. Metcalfe was encouraging a plot against him, and that no time was to be lost in countermining it. Mr. William Palmer and his partners must have had some powerful incentive to come forward so undisguisedly, in an affair in which they had no connection. Mr. Palmer's pretence, that as a servant of the Nizam, he could not refuse to comply with the Minister's entreaties, is too flimsy to bear a moment's examination. That assumed character is totally incompatible with his situation and circumstances, as a member of the house and a creditor to a vast amount of the Nizam. I would willingly yield assent to his alleged reluctance, if I could disguise from myself the irresistible evidence of a deep intrigue, which was to be brought to completion by the transmission of this letter. I will not suppose that they expected it to be successful to the extent they might have wished; but the mere reception of the letter would give colour to the pretensions they were labouring to establish in the Minister's belief, of their possessing an influence with Government, of greater potency than that of the Resident himself. The reproof given to the Minister on this point, in the Governor-General's reply, was calculated to have a very useful effect. But I trust I may, without offence, express my regret that the letter was received at all; for the interval that elapsed between that event and the receipt of his Lordship's answer, the triumphant announcement to the Minister by the house of the reception of the letter, and the opportunity thus afforded of practising on him, must have given them an advantage, which the subsequent reprehension could not counteract.* The letter being communicated to the Board by the Governor-General, I felt that I had

* See Mr. Metcalfe's despatch of 3d September, paragraph 3; also despatch of 30th September, paragraph 91.

had no right to question his Lordship's reception of it in his individual capacity, and I should have been silent on the subject now, had I not, from being called upon to concur in the instructions, been obliged to explain my view of this part of them.

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Mr. Adam's Minute. 1 Nov. 1822.

On the general question of receiving letters through other channels than those prescribed by usage and regulation, I must confess that I see much more inconvenience likely to ensue from the relaxation, than from the enforcement of the rule. I can scarcely imagine a case, when just grounds of complaint will not come to the knowledge of Government, by that general observation of the conduct of a Resident which his proceedings afford, and by such correspondence as, either through the Resident himself or a stationary Vakeel at the Presidency, may come under notice. Moreover, a corrupt or designing Resident is more likely to play into the hands of the court at which he resides, than to alienate its good-will in such a way as to give rise to complaints from thence. But if irregular channels are once opened, the local influence of the Agent must necessarily be exposed to a severe shock, and there is no calculating on the extent of the intrigue which will be generated, and the encouragement to double negociation which is the aim of every native politician; nor can I reconcile myself to a system which seems to have its basis in distrust of the Agent, a feeling which can never advantageously exist between the Government and its representative. I am thence, from habit, principle, and conviction, decidedly favourable to the plan on which our affairs have been hitherto conducted, with almost uniform credit and success.

I have only to add a few words, in explanation of the apparent tardiness in recording this minute, which in strictness ought to have been done while the draft was yet under consideration. Not imagining, from the tenor of the draft, that any urgency for despatch existed, I retained it for the purpose of detailing the grounds of my dissent until a moment of leisure from the current business that then pressed on my attention; and I conceived my concurrence could not have been expected by the Governor-General, after the perusal of a paper of unofficial notes in Mr. Metcalfe's despatch of the 31st August, which sufficiently displayed my sentiments. The arrival of Mr. Metcalfe's despatch of the 30th of September, to which I have referred in the course of these observations, led me to suppose that his Lordship might think fit to revise the instructions with reference to the contents of that despatch; and it was only on returning the draft to his Lordship, through the Secretary, for that purpose, that I became acquainted with his anxiety for its early transmission. The Governor-General, at the same time, signified his adherence to the draft, and his intention, if it should be opposed by the whole Council, to take it on himself. Under his Lordship's orders, therefore, the instructions were despatched by the Secretary, and the draft was subsequently sent again in circulation. I do not state these circumstances with any intention to question the propriety of the course of proceeding, but merely to account for what might otherwise seem a blameable tardiness on my part.

Fort-William,
1st November 1822.

(Signed) J. Adam.

(Enclosure No. 22 in Bengal Political Letter of 20th December 1822.)

MR. FENDALL'S MINUTE.

Mr. Fendall's Minute, 19 Nov. 1822.

It is with the greatest regret and reluctance, that I am compelled to withhold my concurrence in the dispatch which has been forwarded to the Resident at Hyderabad, under date the 26th October; and more particularly so, as the general principle stated in this despatch, respecting the interference of this Government with the internal affairs of a foreign State in alliance with us, is, I imagine, indisputably correct. At the same time, the peculiar situation of the Hyderabad Government appears to me to be an exception to the general principle.

In Mr. Russell's report* of the 24th November 1819, he represents the Hyderabad Government as rapidly falling to decay, and that unless measures were adopted

* See page 90.

Enclosures in Bengal Political Letter, 20 Dec. 1822.

Mr. Fendall's Minute, 19 Nov. 1822.

adopted for effecting a reform of the existing abuses, the downfall of the Government was inevitable. He represented the system followed as vicious in the extreme, and that to do any good, reform must be general; that any effectual reform, under the present circumstances of the Nizam's Court, could only proceed from the supreme authority of the British Government, and have its foundation either in the diminution or the increase of our interference; that lessening our interference, he is convinced, would be productive of the subversion of the Government, and recommended a greater interference on our part than has been observed before. In reply to this despatch, the Governor-General in Council, under date the 22d January 1820, expressed an anxious desire to establish the prosperity of the Nizam's Government and the happiness of his subjects, and authorized the Resident to interpose his advice and influence for those purposes. The objects to which the Resident's attention was to be directed were, "a salutary controul over the internal administration of the "country, accurate accounts of all establishments, receipts, and expenditures, "the correction of abuses, a proper distribution of justice, the reduction of "expense, the amelioration of the revenue system including the customs and "duties levied on commerce, the improvement of the resources, the extinction "of the debt, the efficiency of troops retained, and the discharge of such as "were useless."

In pursuance of these instructions, Mr. Russell, in concert with the Minister, Rajah Chundoo Loll, began the arduous task of reform; but had proceeded therein with very little real effect before he quitted Hyderabad.

Upon Mr. Metcalfe's taking charge of the Residency, he found the affairs of the Government in a most disorganized state. The debt, which was reported by Mr. Russell in 1819 as not exceeding fifty lacs of rupees, instead of being extinguished, had increased to nearly double that sum, without any apparent probability of its being reduced. The revenue system, instead of being ameliorated, was found radically vicious; exactions unrelentingly made from the landholders, without any reference to the capability of the lands occupied to yield the rent demanded, or any faithful adherence to the engagements entered into with the cultivators. Acting upon the principle of the instructions furnished to his predecessor, Mr. Metcalfe, soon after his arrival, took measures for remedying the existing evils; and deeming the formation of a regular settlement of the revenue, and a reduction of the expenses, as the primary objects of effecting a reform, he proceeded to make a village settlement throughout the country for a definite period, appointing British officers in the Nizam's service to superintend some districts, leaving others to the superintendence of the Minister himself, and ultimately made two tours through the districts, to observe, by personal inspection, the effect of his measures. These measures were adopted with the concurrence and sanction of the Minister at the time; and though he afterwards objected to them, he has admitted the beneficial effects of the arrangements. They were regularly reported, whilst in progress, to this Government, and were never found fault with; but, on the contrary, were in most instances considered judicious, and great benefit was expected to be derived from them. Under the impression, therefore, that he was acting under the approbation of this Government, Mr. Metcalfe continued his operations, little expecting that the interference which he had exercised would be considered as having been carried to an undesirable length. Mr. Metcalfe appears to me to have conducted his proceedings with much energy and great caution, and has not taken any step without consulting with the Minister upon it previous to its being adopted.

I am sorry to say that I cannot discern that the conduct observed by Mr. Metcalfe has been met with a corresponding openness and candour by the Minister, Rajah Chundoo Loll. On the contrary, I think it is to be inferred, that the Minister has endeavoured to counteract the Resident's measures by underhand means, rather than cordially to co-operate with him, in his exertions to promote the prosperity of the country and of his Highness the Nizam's Government. With this impression upon my mind, and particularly with reference to the despatch of this Government of the 13th September last, which conveyed the marked displeasure of the Governor-General in Council at the conduct of the Minister, I cannot give him credit for all the praises that are

bestowed

bestowed upon him in the despatch of the 25th October. At the same time, the animadversions which have been made upon the Rajah's conduct will, I think, induce him to act with more candour towards the Resident, and zealously to co-operate with him, in bringing the Nizam's government into the flourishing state which it is represented capable of, and which the measures pursued by the Resident promise gradually to effect.

It does not appear to me, in the present state of the Hyderabad Court, probable that the Nizam will take an active part in the concerns of the State, or propose the removal of Rajah Chundoo Loll and the appointment of another Minister in his place. The promises of support which the Rajah's attachment to this Government entitled him to, should, I conceive, be continued to him, as long as he heartily co-operates with us in redressing the evils which prevail in the country; and this support he has already been assured of. It is clear that Rajah Chundoo Loll is the most able man in the Nizam's service that can be found to fill the office of Minister, and though he appears to have been prodigal of the resources of the country, and extortionate in his demands on it, yet under the vigilant superintendence and controul of the Resident, he will, I have little doubt, see the necessity of adopting a more circumspect line of conduct, and assist with his acknowledged abilities in promoting the views of this Government for the benefit of the State. When relieved from the trammels with which he is bound by the firm of William Palmer and Co., and enabled to act for himself, I have the strongest hope and belief that his future conduct will be such as to entitle him to the cordial support of this Government. He will, I am convinced, find in the Resident as warm a supporter of his interests as his most sanguine wishes could expect, and that a cordial good understanding, so much to be desired, will be established between them. It is, I think, beyond doubt, that the pecuniary transactions between the Minister and the firm of William Palmer and Co. have given the latter an ascendancy over the former, of which they have availed themselves, to instil into the mind of the Minister suspicions of the Resident's being inimical to him, even to the extent of procuring his removal from office. An early adjustment of these pecuniary concerns is most desirable, and every disposition has been evinced by this Government to give its assistance towards the accomplishment of this object. When the accounts are finally settled, it would be indispensably necessary that no further intercourse should be allowed between the firm and the Minister, except through the channel of the Resident, and that they should be confined in their dealings to banking and commercial concerns with individuals.

The channel through which Rajah Chundoo Loll transmitted the letter to the Governor-General was, under the circumstances in which he stood with the firm, highly improper; and the plea urged by Mr. William Palmer, for yielding to the Minister's wishes in this respect, cannot be admitted as having any validity. I am constrained to say, that I consider this measure, combined with the insidious conduct of the Minister, as indicative of a determined plan to bring the Resident under the displeasure of his own Government, and that Mr. Metcalfe is warranted in the conclusions he has drawn from this act.

The question respecting the Governor-General's receiving letters through any other channel than the Resident, is, I think, one of some difficulty. If a door is left open for the reception of such letters, it may lead to many false representations being made, and intrigues encouraged, to the prejudice of the Governor-General's representative, and weaken his influence at the court where he resides. At the same time, if the Governor-General is debarred from receiving communications through any other channel than the Resident, it may have the effect of precluding complaints, founded on just grounds, being received at all. I am, therefore, of opinion, that the Governor-General should not be debarred from receiving communications through any other than the regular channel. It would rest with the Governor-General to use his own discretion in acting upon such communications as may be made to him, or in rejecting them altogether.

Fort-William,
19th November 1822.

(Signed) JOHN FENDALL.

(Enclosure

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(Enclosure No. 23 in Bengal Political Letter of 20th December 1822.)

MR. BAYLEY'S MINUTE.

Mr. Bayley's Minute, 25 Nov. 1822.

When the draft of the letter to the Resident of Hyderabad, dated the 25th ultimo, in reply to Mr. Metcalfe's despatches of the 31st August, the 3d and 5th of September last, was circulated, I apprized the Board that I felt myself precluded from concurring in it. I now proceed to state, in a more formal manner, the grounds on which I am compelled to dissent from the tenor of the instructions which were conveyed to Mr. Metcalfe in that letter.

By the instructions in question, Mr. Metcalfe has been informed that his opinions as to the right and duty of the British Government to interfere in the administration of the affairs of the State of Hyderabad, are erroneous; that no such extreme case existed, as would justify our interposition on the ground of necessity; and that, under the actual circumstances of the case, the interference of the Resident should have been limited to a course of conciliatory counsel, exercised with delicacy and unavowed.

The undesirable length to which Mr. Metcalfe is considered to have carried his solicitude for the regularity of the Nizam's Government, is ascribed to the erroneous notions entertained by him on the points above adverted to; and the measures pursued by him are stated to be at variance with the principles laid down for his guidance. Mr. Metcalfe is at the same time informed, that as those measures cannot be suddenly retracted, without shewing that Government disapproves of his conduct; they must remain in force for the present, and must be discontinued gradually.

The general principles by which our proceedings should be regulated, with regard to the internal administration of States in alliance with us, appear to me to be justly stated in the instructions. Where neither the terms of existing treaties, nor the nature and spirit of our relations with States in alliance with us, recognize our right of interference with their internal administration, a very strong and special case must be shewn, to warrant any degree of interposition on our part, beyond that of friendly counsel and advice.

Unfortunately, as I think, our past conduct, in relation to the state of Hyderabad, has not been regulated by those principles. Instead of leaving the Nizam to govern his subjects and to manage his country through the agency of Ministers selected and employed by himself, we have, in fact, placed the Government of his country in the hands of an individual chosen by us, because he was devoted to our interests.

That Minister has since been supported exclusively by our influence. The Nizam has withdrawn himself from all concern in public affairs, and the British Government must be considered answerable for any continued mal-administration on the part of the Rajah Chundoo Loll, which it was in its power to correct or prevent.

I think that the circumstances under which Rajah Chundoo Loll was raised to power, and has since been supported by us, constitute such a special case, as to justify our present interposition in the affairs of Hyderabad, to an extent not consistent with the general principles described in the instructions to Mr. Metcalfe of the 25th October.

The correspondence with Mr. Russell and Mr. Metcalfe contains abundant proofs of the wretched state to which the affairs of the Nizam's Government were reduced; and it is clear to my judgment, that if we had refrained from effectually interposing, with a view to the reform of the most prominent and crying abuses prevailing in the administration, the dissolution of the State of Hyderabad must have soon ensued.

Such a result might not only have been ascribed to the operation of our past measures in relation to the Nizam's Government, but we might have been suspected of having tacitly permitted that result, from the prospect of some contingent advantage to ourselves.

I think, therefore, that independently of considerations of justice towards our ally, and of humanity towards an oppressed population, a regard for our own character

character and reputation demanded that our interposition should be rendered effectual, and that we should honestly endeavour to repair the injury occasioned, in some degree at least, by a course of policy on our part, of which the evil consequences were not at the time foreseen.

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Mr. Bayley's Minute, 25 Nov. 1822.

Mr. Metcalfe's interference does not appear to me to have been carried to a greater extent than was absolutely essential for the due attainment of the objects contemplated in the instructions issued to Mr. Russell on the 22d January 1820.

The Minister concurred in the expediency of the measures adopted by Mr. Metcalfe, and their general nature and extent was reported to Government during their progress. In several instances they were specifically approved; in none were they discouraged; and Mr. Metcalfe has hitherto been acting under the supposed sanction of the Governor-General in Council.

I am aware that the Governor-General in his Minute of the 27th May 1821, expressed his opinion, that Mr. Metcalfe's interposition was carried to too great an extent. That Minute, however, has been only recently recorded, and was not made the foundation of any instructions to Mr. Metcalfe for his future guidance.

Mr. Metcalfe's proceedings appear to have been productive of extensive benefit to the country. The advantages which have already resulted from them have been acknowledged by the Minister himself; and I cannot doubt that, with a more cordial co-operation on the part of Rajah Chundoo Loll, Mr. Metcalfe's efforts for the re-establishment of the efficiency and prosperity of the State of Hyderabad would have been much more extensively successful than they have been.

It is the anxious wish of the British Government, that the present embarrassment in the Nizam's finances should be removed, and that the people should be relieved from those oppressions and extortions, which have threatened the total ruin of the State. It is not less our duty to take care that our interposition be not continued longer than is necessary for the substantial attainment of those ends.

In all his arrangements, Mr. Metcalfe has kept this object in view; and the sentiments repeatedly expressed in his despatches shew how anxious he is, that the full controul over the internal administration of the country should revert to the proper authorities, as soon as the progress of reform shall justify the hope that such a controul can and will be exercised with safety and efficiency.

With these impressions, I have only to express my regret that Mr. Metcalfe's conduct has not been viewed by the Governor-General in the same favourable light as it is by me.

The remaining portion of the instructions of the 25th of October has reference chiefly to the sentiments expressed by Mr. Metcalfe, in regard to the conduct of Rajah Chundoo Loll and of Messrs. William Palmer and Co.

The experienced attachment of Rajah Chundoo Loll to the British Government, his acknowledged talents for business, his consciousness that his continuation in office depended upon our influence and upon our approbation of his exertions, naturally pointed him out as the fittest person to conduct those important reforms in the administration which were so obviously necessary.

The defects in his character as a Minister were well known; but the introduction of the intended reforms was calculated practically to diminish the injurious operation of those defects, and gradually to secure a more honest, regular, and considerate administration on his part.

Our support and assistance was promised to him on the understood condition of his carrying on those reforms with zeal and sincerity: and although his conduct has been very different from that which we had a right to expect, I am still of opinion that our countenance and support should be continued to him.

His administration, so far as it is connected with his pecuniary transactions with the house of Messrs. William Palmer and Co., with his misapplication of the general resources of the State, and with his failure to co-operate cordially in the reform of abuses, has been noticed in strong terms of disapprobation, in

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the instructions communicated to the Resident at Hyderabad, under date the 13th September last.

I entirely concurred in those instructions, and I have seen nothing in the information subsequently received, which is not calculated to strengthen and confirm the unfavourable opinions then entertained by Government of the Minister's conduct in the points above adverted to.

That the Minister has clandestinely endeavoured to counteract those measures of reform in which he had himself concurred, appears to me to be fully established.

The distrust entertained by Rajah Chundoo Loll in regard to the Resident's disposition towards him, is, in my judgment, ascribable much less to any dissatisfaction really felt by the Minister, than to the undue influence exercised over him by Messrs. William Palmer and Co.

I feel persuaded that the complaints of the Minister against Mr. Metcalfe would not have been transmitted to Government, or at all events not through the very objectionable channel of Mr. William Palmer, if Rajah Chundoo Loll had not been taught to believe that Mr. Metcalfe was his enemy, and was aiming to procure his removal from office.

The manner in which those complaints were brought forward, taken in connection with other circumstances detailed in Mr. Metcalfe's despatches, satisfy me, that it was the object of Messrs. William Palmer and Co. and of the Minister, to injure Mr. Metcalfe in the opinion of the Governor-General, and thus to impede or to defeat those measures which Mr. Metcalfe was prosecuting, with a view to the improvement of the administration.

My opinion on this point is, in a great degree, founded on the very unfavourable view which I have taken of the whole course of the pecuniary transactions between the Minister and the house of Messrs. William Palmer and Co.

It is not necessary that I should, on this occasion, enter into a detailed explanation of the grounds of my opinion on this point; but a careful perusal of the whole of the correspondence relative to the loan of sixty lacs of rupees has left the strongest conviction on my mind, that Messrs. William Palmer and Co. have reaped from that transaction undue and unauthorized advantages at the expense of the Nizam's Government, and with the sacrifice of the substantial interests of that State. Any arrangement which should tend to restrict the application of the resources of the State of Hyderabad to their proper and legitimate purposes, was calculated to deprive the house of Messrs. William Palmer and Co. of those advantages which they derived from the financial embarrassments of the State; and I am reluctantly compelled to ascribe to this cause chiefly, the attempts which have been made to injure Mr. Metcalfe's character in this eyes of Government.

The measure now in progress for preventing all future pecuniary transactions between the Minister and the house of Messrs. William Palmer and Co., will deprive them of that influence which they have for some time past exercised over the administration at Hyderabad, and will in itself be sufficient to re-establish confidence and harmony between the Resident and the Minister. We may then, and not till then, confidently anticipate the full benefits of that reform in the administration of the Nizam's affairs, which it is the honest object of this Government to secure.

After the most anxious and careful consideration of the past proceedings and correspondence, I beg to express my full concurrence in the sentiments recorded on this occasion by Mr. Adam and Mr. Fendall.

Mr. Adam's Minute, in particular, contains so full, and in my judgment, so correct a review of the whole question before the Board, that any further attempt on my part to enlarge on the same topics, would be merely a repetition, in less forcible language, of the conclusions which he has drawn.

I must, nevertheless, in justice to Mr. Metcalfe, express my conviction, that the views and opinions conveyed in his despatches of the 31st August, the 3d, and 30th September, are derived solely from the circumstance stated by him,

and

and have not originated in any unfounded prejudices, exaggerated sensitiveness, or overstrained jealousy on his part.

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I feel assured, not less from the recorded testimony of Mr. Metcalfe's past official life, than from my personal knowledge of his character, that the highly important and responsible trust now confided to him could not be placed in safer hands. If success is attainable, it will be secured by his firm integrity, his sound judgment, his honourable principles, and his eminent talents.

Fort William,
25th November 1822.

(Signed) W. B. Bayley.

(Enclosure No. 24 in Bengal Political Letter of 20th December 1822.)

GOVERNOR-GENERAL'S MINUTE.

Governor General's Minute, 19 Dec. 1822.

Few occurrences, since my arrival in India, have given to me so much pleasure as the minutes of the three Members of Council, respecting the instructions, dated 25th October last, sent by me to the Resident at Hyderabad. I have sufficiently felt the silent operation of the sentiments maintained by those gentlemen in clogging political measures; but I never could have hoped, that they would have stated them so openly, as should enable me to bring the question to issue. Meaning to propose that the papers directly connected with this subject shall be submitted to the Court of Directors in a separate letter, I reckon confidently on the Honourable Court's seeing the necessity of pronouncing an unequivocal condemnation of the system which these gentlemen endeavour to uphold. This expectation is not entertained by me, from the Honorable Court's infallibly adverting to the certainty, that the avowal of such a ground of action must, if not otherwise checked, be taken up and reprobated by Parliament, but from my recollection of the uniform language held by the Honourable Court, on casual instances of arbitrary trespass on the independence of Native Princes. If accidental, and even constructive interferences with the just prerogatives of those princes, have constantly awakened the humane jealousy of the Honourable Court, what must the sensation be, when an inherent right in this Government to exercise such invasions is pointedly vindicated. That the right is so asserted, will be indisputable on a perusal of the Minutes. It was not to be imagined, that the Members of Council would defend, in its nakedness, an odious principle which had been exposed and arraigned. They have tried to disguise, by a clothing, its essential deformity: the attempt is vain. Were it admitted, that an infraction of the first notions of immutable justice could be divested of its immoral quality, by whatever excuse any perpetrators of such violence might think fit to offer, all landmarks of right and wrong would be at once destroyed. The plea put forward on the present occasion would be invalid, were its particulars accurately represented: it must be still more deficient, when, as I shall show, they are pourtrayed with extraordinary incorrectness.

As the Minutes of Mr. Fendall and Mr. Bayley profess general concurrence in the statements and reasoning of Mr. Adam, without any novel position, I need not answer the two former specially. Their observations will be fully embraced by the remarks I shall make on the composition of the latter.

Mr. Adam sets out with arguing, that Mr. Metcalfe acted consonantly to a precise authorization from this Government. He supports that assertion by quoting an extract from Mr. Russell's letter of the 24th November 1819, as exemplifying the nature of that authorization. This he employs in a manner which gives it to be understood, that Mr. Russell recommended our direct controul over the Nizam's affairs. An endeavour is made to get rid of a pithy passage, which could not safely be suppressed, by saying that the part alluded to is not very intelligible. Words cannot be more clear and explicit than what are used in that passage. Having urged the indispensable necessity for our interference, Mr. Russell observes, that it must be exercised not directly, but by the exertion of our advice and influence with the Native Authorities. Mr. Adam overlooks the circumstance, that this letter of Mr. Russell's was an answer to one of mine (26th October), also on record, in which, while I point at the pressing necessity for remedying evils in the Nizam's dominions actually menacing the tranquillity of India, I mark decided repugnance to overt interference

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ference. The Resident adopts my opinion, declaring, by the course which he indicates, the expediency of its practical application. On this confirmation, the letter from Government of the 22d January 1820, was addressed to the Resident. How Mr. Adam can hope that the terms of that letter should bear out the construction he is pleased to give to it, is to me inconceivable. The expressions are, "His Lordship, anxious to establish the prosperity of the "Nizam's dominions and the happiness of his subjects, authorizes you to inter- "pose your advice and influence for these purposes. A salutary controul over "the administration of the country," &c. Then follows an enumeration, as given at length by Mr. Adam, of other objects seeming to require attention. Had not the words been an echo of Mr. Russell's letter, and of course to be received with the limitation which he had defined, they would nevertheless, in their own import, have repelled Mr. Adam's interpretation. It would have been absolute nonsense to authorize Mr. Russell's exertion of advice and influence, if I at the same time invested him with a despotic power of controul. The controul in question was that which we wished the Minister should extend over the Sirdars, who were respectively administrators of several provinces, and who were not subject to regular scrutiny in that trust. The subsequent recapitulation of other points for attention, proves that the contemplated controul was restricted to one special object, among the many, which the legitimate authority of the State should be counselled to put on a better footing. The matter is unimportant, yet it serves to shew the bias with which Mr. Adam views every particular in this discussion: For had the license been such as Mr. Adam has supposed it, a procedure on the part of Mr. Metcalfe, extravagantly strained beyond the natural sense of the document, would still not have been justified.

Passing from that stage, Mr. Adam observes that Mr. Metcalfe proceeded to Hyderabad without any specific instructions, and only intrusted with the undefined commission of correcting abuses existing in that State. Can any body believe that this was really the case? Written instructions he had not, because they would have been superfluous, the directions before noticed being on record in the Resident's office at Hyderabad. But it escapes Mr. Adam, that Mr. Metcalfe was not only Secretary to Government in the Political Department, but was my private secretary; in either of which capacities he had constant opportunities of learning my conceptions (expatiated upon pretty frequently) respecting the conduct to be held towards Native Princes. The fact, however, does not rest on incidental expressions. It is in my remembrance, that I did inculcate to Mr. Metcalfe the managing the Hyderabad Government, as nearly as circumstances would allow, on the corrected system pursued in Oude. It is probable that, in the conviction of his being able to judge what was expedient far better than I could, this was soon suffered to slip from memory. I may well conclude it, when upon Mr. Metcalfe's attention being called to his departure from the line I had laid down, he excused himself, by saying that he had forgotten the instructions despatched by himself as Secretary to Government to his predecessor in the Residency, implying, by-the-bye, a very different impression of their tenor from what Mr. Adam has attempted to establish. The directions to the Agent at Aurungabad from Mr. Russell, with that gentleman's reports of the 1st September and 24th November 1820,* prove that Mr. Russell did not consider the instructions as allowing to him any degree of controul.

Mr. Adam proceeds to infer, that Mr. Metcalfe was naturally led to conceive himself acting agreeably to my wishes, by the answer of the 24th February to his letter of the 2d February 1821. Such a statement evidently assumes, that the letter of the 2d February exhibits the same principles which I have condemned in my last instructions. So far from it, nothing can be more irreconcilable than the professions of Mr. Metcalfe in his letter of 2d February 1821, with the positions which he advances in that of the 31st August 1822. In the former he says: "To insist on good faith being kept by Government and its "Agents with the cultivators with regard to all engagements, to take care that "the Government and its agents do not exact more than the acknowledged "rights of the Government, these are objects, the successful accomplishment "of which would go far towards the restoration of prosperity, and for which I "shall never hesitate to exercise direct interference in every part of the country, for

* There is apparently a mistake with respect to this latter date.

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" for without it they could never be accomplished." The purpose was right; but there was something equivocal in the close of the passage. A direct interference with the Minister would have been consonant to Mr. Metcalfe's instructions, because the Minister's compact with us bound him to afford that security to the cultivators. The phrase, "in every part of the country," might imply the contemplation of an interference not exercised in the Minister's name or with his concurrence, and it awakened some solicitude in me; though its more probable meaning might be, that he would expose to the Minister such delinquencies in any of the commanders of provinces who were prescriptively exempt from minute inspection. The ambiguity of that expression, indeed, was counterbalanced by the twenty-ninth and thirtieth paragraphs of the same letter. In the first of them Mr. Metcalfe says: " The most effectual, and perhaps the only " sure mode of introducing a reform into the country, would be by the appointment " of European managers in the several districts; but this I consider prohibited by " my instructions, and not desirable if it can be avoided, inasmuch as it would " be tantamount to taking the Government out of the hands of the Nizam and " his Minister. I do not think, therefore, of submitting any recommendation " to that effect, unless I should find, after a fair trial, that my own efforts, with " such aid as I can procure from the servants of the Nizam's Government, " prove unavailing." It will not be overlooked, that in this passage Mr. Metcalfe does acknowledge his acting under specific instructions, which Mr. Adam supposes him not to have received: And these cannot be the written instructions addressed to his predecessor, because this acknowledgment is made on the 2d February 1821, while Mr. Metcalfe, in his letter of 5th September 1822, intimates his having just discovered in the Resident's office those written instructions, which, though under his own signature as Political Secretary, had escaped his recollection. The next paragraph, thirty, runs thus: " The occasional " interference, however, of the European officers of the Nizam's service, for the " prevention of oppression and breach of faith on the part of local authorities in " the vicinity of their respective posts, is indispensable; and I shall, without " scruple, have recourse to this assistance whenever it may seem necessary. " Indeed, I have already acted on this principle in several instances." The provision was judicious and laudable, since it was to be comprehended that what was required of those officers was their forwarding a representation of such acts, should they not be remedied instantly when noticed by them, for the judgment of the Minister. Were not the measure to be so understood, it would have been wholly inconsistent with the preceding paragraph, to which it was a connected sequel.

Notwithstanding that my view of the despatch was on the whole favourable, I would not signify any approbation of the part (Mr. Metcalfe's plans) over which a degree of doubt still hung. The despatch was answered on the 24th February, by simply saying that the information was considered extremely interesting. This Mr. Adam represents as a sanction of the plans mentioned by Mr. Metcalfe. A novel way of approving a proposition would have been devised on the occasion, had it consisted in a remark which did not indicate either satisfaction or dissent. Had Mr. Metcalfe not had previous instructions, it would have been requisite to advert to that part of the communication; but as a line had been laid down for his guidance, no observation was necessary, till it should appear that he was deviating from what had been dictated; and it was the more delicate measure towards him, not lightly to presume that he was doing so. The remark, that the information was considered extremely interesting, could have no application but to the other subjects contained in the despatch, namely, a minute delineation of the leading men in the State, with their reputed dispositions, and a detail of the benefits which Mr. Russell had, under my instructions, achieved for the population. Mr. Adam then adds, " Mr. Metcalfe closes the despatch from which the foregoing pas- " Sages are extracted, by stating, that Mr. Russell had adopted the habit of " receiving the petitions of complainants, and transmitting them to the Minis- " ter for redress, and had authorized the Agent at Aurungabad and the offi- " cers of the Nizam's service to do the same, and to forward them to the local " authorities or to the Resident, as the case may require. *Thus early was laid* " *the foundation of the system, so much condemned in the instructions lately* " *despatched.*"

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" *despatched.*" I must beg leave to say, that there is no imaginable affinity or resemblance between the above points in the Resident's despatch of the 2d February 1821, and those commented upon in my recent letter to him. The function assigned to the Agent at Aurungabad and to the officers in the Nizam's service, would have been the natural duty of men in their situation, even without any call from the Resident. Their subjecting to the cognizance of the Minister, either directly or through Mr. Russell (who states that he always submitted to the Minister those complaints of which he was made the channel), was an unimpeachable step, and as such, has never been impeached by me. What I checked in the letter of the 25th October was, the asserted right, in some degree actually exerted, of our assuming unlimited authority in the management of the Nizam's dominions. Mr. Adam, therefore, will not be borne out in arguing, that the absence of animadversion on the despatch of the 2d February was an encouragement to Mr. Metcalfe for afterwards proceeding to the length with which I was dissatisfied; especially as it appears, by the quotation, that Mr. Metcalfe professed to be restrained from going further than he at that period explained, because he was " prohibited by his instructions," as well as because " it would be tantamount to taking the Government out of " the hands of the Nizam or his Minister;" intimating, moreover, that should it be found indispensable to adopt a stronger course, he would submit a recommendation to that effect.

Notwithstanding the notification, that should an ampler scope be found indispensable, a sanction for it would be sought by recommendation to Government, Mr. Metcalfe's letter of the 20th March 1821 apprized us, that without any previous reference he had indulged in that ampler scope. The European officers, who on the original plan had merely to watch against practices of extortion or oppression in the neighbourhood of their posts, were now engaged in forming revenue settlements throughout the country. Had it been possible to contemplate the arrangement solely with relation to the benefit which the State might derive from it in a single line, it would have commanded unqualified applause. But as those officers were to act under the direction of the Resident, the measure was calculated to produce extreme sensation; and there was a publicity of direct interference, in the Resident's employing himself, on a wide scale, in the same avocation which could not but augment the feeling. It was not likely that the Minister could relish the proceeding, though he might accede to it, rather than expose himself to the imputation of thwarting the Resident's views. The apprehension was much strengthened by the fourth paragraph of the letter in question. " It was my wish that the settlement " should be effected, in all parts of the Nizam's dominions, by British officers, " from a conviction that the requisite zeal and activity could not be found in " native agents; but I could not decently object to the Minister's proposal, " that he should superintend a great part of the work in concert with me."

Two things are to be gathered from the above passage: first, that Mr. Metcalfe had endeavoured to have the management left exclusively to his own will; in the second place, that the jealousy of the Minister had been roused: and, however it might be disguised, such an impulse was sure to increase in strength, menacing much retardment to useful operations. How to decide on the subject was embarrassing. I was dissatisfied, not so much from the inattention shewn to my injunctions, as from anticipation of the consequences: yet, on the other hand, the measure was actually in process; nay, was far advanced in execution, so that interruption of it would discredit the Resident if it had no other bad effect. I thence thought it best to compound with what had been done, trusting that there would be no further aberration. The plan was approved, and an acknowledgment was expressed of the zeal found by Mr. Metcalfe in the officers whom he had made his instruments. The merit of Lieutenant Clarke was distinct from that of the others, for his occupation was not in an ordinary settlement, but in re-establishing, through the assurance of British protection, that population which had been driven from the banks of the Wurda by the ravages of the Pindarries, and the exactions practised by the licentious soldiery in the train of frontier Sirdars. I speedily learned, with regret, that the employment of the British officers did not stop where I had expected. When the settlement was completed, they did not return to their natural

natural limited duty of checking oppression in the vicinity of their posts. Each of them was placed at the head of an extensive district, superintending all matters of revenue and exercising active powers of police; in short, superseding the native authorities. This caused me to express, in a Minute written on the 27th May 1821, and delivered in Council, that I was not satisfied with the system pursued; declaring that it could not be upheld, though I would not hazard producing confusion by abrupt intervention. The main purpose of the Minute being addressed to a different topic, advertence to the above point was incidental, and thence it was not expatiated upon. Mr. Adam would have it inferred, that because, from an accidental circumstance, the Minute was not recorded at the time, Mr. Metcalfe could not have notice of the disapprobation, therefore proceeded in the confidence that he was fulfilling my wishes. The absence of official communication to him will not affect the certainty that the tenor of such a document, left during some days for leisure perusal in the hands of persons making common cause with Mr. Metcalfe, must have been imparted to him. The question, however, is superfluous. Were it granted that he did not receive the intimation, still he was acting in contradiction to the instructions which he originally acknowledged, which had never been recalled or modified, and which it shall hereafter be shewn he was conscious of exceeding.

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The avowal, that he had gone beyond the limits defined for him, was not immediately made. The letter from him, dated 20th June 1821,* is an evident attempt to meet the impression declared in my Minute, and which consequently must have been communicated to him, by reconciling his measures to the spirit of the instructions under which he was to work. I am not ascribing to Mr. Metcalfe any shabby dexterity, for I know his nature to be incapable of aught that he could feel to be indirect: he was only still practising upon himself a degree of the same honest delusion, which had betrayed him into an erroneous undertaking. In overstepping his instructions, he believed that he, on the spot, formed a more correct judgment of what was expedient than I had done: and fixing his eye on one bearing alone of a project which he had fashioned with a generous zeal, he forgot how collateral considerations were to be affected by it. An endeavour to associate his present arrangements with the general tenor of his instructions was thence unavoidable. He had also, by this time, begun to experience obstructions from the occasional pettishness, which he excited in the Minister, through too ostentatious a display of guidance. It thence behoved him to charge the Minister with underhand opposition (which I have no doubt Mr. Metcalfe believed, while he disguised to himself the cause), and then, by shewing that the measures adopted were not of a quality to occasion umbrage, he expected to prove, at once, their consonancy to his instructions, and the innate pravity of the Minister's disposition.

To achieve the first of these objects, Mr. Metcalfe, in the letter dated 20th June 1821,* recapitulates the instructions given to the European individuals thus appointed to preside over districts; and, in his letter of the 31st August 1822, he repeats the assertion, that "their powers were limited to advice, remonstrance, and representation." This Mr. Adam regards as perfectly satisfactory; not considering that the objection to the step did not lie in the tenor of the instructions, which would, of course, be equitable and moderate, but in the establishment of a system inconsistent with the principle dictated to the Resident, and so capable of abuse, that it was almost impossible perversions of the authority should not occur. They did occur; for the Minister speedily had to complain that functionaries of his, in the revenue branch, had been actually confined by the gentlemen who were restricted to advice, remonstrance, and representation.

I am thoroughly inclined to concur in the character given by Mr. Metcalfe to Mr. Wells for talents and disposition; yet that gentleman, when he was raised to so proud an exaltation, had not been a year and a half out of college, and another of the young gentlemen had left it not a year. Let us ask ourselves, what would be expected, were youths so little experienced in the world to be empowered in England to superintend a country? Would not intoxication from such early pre-eminence, and revolting superciliousness, and irritating misapplication of authority, be anticipated? How much greater was the probability

* Apparently a numerical error for 1822.

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probability of such consequences, when those persons were placed over a population which they viewed as of inferior race, with the habits of which they were unconversant, and which they would not estimate as entitled to the mildness and patience requisite towards Englishmen!

The two, however, to whom I have alluded, though not of an age which would have allowed such a trust's being confided to them in our own territories, had to look forward towards judicial or revenue appointments in the Honourable Company's service, when their years should be more matured, and may be thought to have formed their minds in some degree, as well as to have sought acquirements, with regard to that prospect. This supposition, light as it would be to rest upon, could not have place in a Cornet of his Majesty's Thirteenth Light Dragoons entrusted with a similar charge. It is not to be wondered at, that he should have taken upon himself to annul the five years' settlement just made by the Minister in person with the cultivators of the district, substituting a settlement of his own. It is true, that upon the complaint of the Minister this aggression on his authority was redressed, and he was assured that Cornet Hislop had made a mistake, never having had such powers vested in him as he had exercised. But this rectification of the settlement did not repair the disgrace which the Minister had suffered publicly in the eyes of a large body of the Nizam's people; nor could it alter the inherent vice of the system. These points, though indispensable, as defining the nature of Mr. Metcalfe's error in deviating from the plan prescribed to him, indeed as exhibiting its very essence, are entirely overlooked by Mr. Adam.

The Minister was naturally sore, at having a tone assumed with him so different from what he had been taught to depend upon, when we urged him to the undertaking (perilous for him) of a reform in the State. It appears that he had manifested discontent at that progress made by Mr. Metcalfe through the country, as a parade of inspection derogatory to the Nizam's authority. I had approved that tour, in the confident persuasion that the Minister's cordial assent had been obtained. Though this was not the case, the Minister made no complaint till apprehension that he was about to be sacrificed induced him to appeal to me directly, grounding the necessity of that procedure on facts which, to his conception, indicated such slight and disparagement of him, as could not be supposed unconnected with projects for his ruin. The mind of Mr. Metcalfe, previously soured by what he deemed a deliberate unwillingness of the Minister to co-operate with him, seems to have lost its self-controul, when he found that representations against his measures had been thus forwarded to me. He now discovers that the Minister is a monster of rapacity, perfidy, and brutality. The Minister probably has some taint of those faults, with which it would be difficult to find any native, possessing extensive delegated authority, untinctured; but Mr. Metcalfe's expressions, in the letter of the 31st August 1822, that "the Minister evinces "a systematic disregard of engagements, especially with the cultivators," and "if the Minister and his dependents could abandon their cruelty, and treat the "Nizam's subjects like fellow creatures," evidently betray a spirit so heated, that its effusions must be received with caution.

It is on this occasion that Mr. Metcalfe's inattention to his instructions reveals itself. In the thirty-eighth paragraph of the same letter he says: "How far the "Governor-General in Council may deem it incumbent on the British Govern-"ment to support and maintain the stability of the measures which have been "adopted, is not for me to anticipate." Had the measures been reconcileable to the directions under which he was to act, there would have been no room for a doubt respecting their confirmation. Sensible of having swerved from the line laid down for him, and stung by the embarrassments thence entailed, it was not unnatural that he should dupe himself with any persuasions, rather than admit his perplexities to have arisen out of his error. Excuses were to be found in circumstances independent of his procedures. To shew the designing perversity of the Minister, Mr. Metcalfe first represents him as not having made the settlements which he had engaged to make, and then more generally charges him with having done nothing towards the proposed reform. Mr. Russell, in his letter of the 1st September 1820, speaking of the points achieved in the reform,

reform, says: "This will satisfy your Lordship that the Nizam's Minister has "not been remiss in the duty he has undertaken." The report of the same date affords the detail of what was effected. If that statement be correct, the Minister's conduct had been very meritorious; and one is prompted to reflect, how it came to be of a different quality under the influence of Mr. Metcalfe. But it seems that Mr. Russell's representation is not to be relied upon: A proof, if I am to take it as such, that the official report of a Resident may be inaccurate, should counsel me to a degree of reserve in accepting the communications of any other Resident. As to the fact, the items constituting the aggregate reduction of annual expense made by the Minister are specified, so that their verification or detection must be easy.

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The innate pravity of the Minister, however, would not suffice to account for his obstinate counteraction of the Resident; therefore Mr. Metcalfe surmises a plot between the Minister and Messrs. William Palmer and Co. to overset him and procure his recall. This notion is eagerly supported by Mr. Adam. I must profess, that I do not give a particle of credit to the supposition; simply, because it appears to me altogether irrational. Mr. Metcalfe was known to be not merely esteemed but much liked by me. He had been on the most confidential terms with me as my Private Secretary; and he had been selected by me, as peculiarly calculated for the delicate and pressing task of encouraging the Nizam's Minister to persevere in that system of reform, necessary for the restoration of prosperity to the Hyderabad State. That Messrs. William Palmer and Co., in concert with the Minister, could ever harbour the thought of their being able to undermine my Representative, standing on such grounds, seems to me an extravagant imagination. In one respect, the firm and the Minister undoubtedly drew together. When the house was alarmed by Mr. Metcalfe's requiring from them the cession of tunkhas on the eve of payment, substituting for them distant assignments, avowedly subject to eventual delay of liquidation beyond the date which the document promised, Messrs. William Palmer and Co. threw themselves on the integrity of the Minister for security against the danger, which the withholding the stipulated reimbursement of their advances visibly threatened. The Minister felt the obligations of his contract, and remonstrated against being compelled to infringe it. Thus far there was co-operation between the parties; but it was a natural one. The Minister sought to preserve his honour from stain; while the house, supported by his concurrence, represented against what they deemed an attack on their property. Undoubtedly this clashed with arrangements which Mr. Metcalfe had planned, and in that sense was opposition. Such opposition, however, was justifiable, if what was meditated were not reconcilable to the safety of the house; in an equitable care of which, the Honourable Court had ordered that the termination of the engagement between the firm and the Nizam should be accompanied by the liquidation of all outstanding advances which might have been made by Messrs. William Palmer and Co. To my conception, the course in which the house was ultimately obliged to acquiesce was not fair. The Resident was impelled to this step by a consideration in one respect just, it being requisite to provide means of satisfying those troops to which Messrs. William Palmer and Co. were forbidden to make any further payments. Yet the measure could not but place the house in some jeopardy, involving also this objection, that it ostensibly increased the amount owed by the Nizam's Government to Messrs. William Palmer and Co., the magnitude of whose demands had already been represented as throwing doubt on the probity of their dealings. The agitation of such a suspicion was necessary to furnish a colour for the plot, which otherwise would have wanted a motive. Could the impression be made, that Messrs. William Palmer and Co. had been in the habit of extorting unprecedented and corrupt gains from the Nizam's Government, a reason was suggested why they should conspire against a Resident, who would stop their career of depredation by remedying the exigencies which facilitated their object. The supposition that the house should be tremblingly alive to an interruption of their proceedings, does not tally well with Mr. Metcalfe's observation, that the extent of advances made by Messrs. William Palmer and Co. to the Nizam's Government had already placed the firm in obvious hazard; but when surmises are the result of fretful effervescence, they are not closely measured. Mr. Metcalfe's suspicions are loosely inferred. Mr. Adam reasons upon them as irresistible proofs. To tinge the whole case, he

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he sets out with casually remarking the exorbitance of the interest required from the Nizam by the house. The excessive rate of interest established in that country (and not in those territories alone, but throughout Central India), is the unquestionable cause of the embarrassments now pressing on the Hyderabad State. Do the consequences, however, of such a condition of the money-market make it matter of imputation on a banking-house, that it should expect from a Native Government the same interest which it would receive from any individual whom it assisted? It is, on the contrary, remarkable and to its credit, that the house in question did not demand more than the ordinary rate of interest on account of the acknowledged insecurity of dealings with a despot who could expunge a debt at his will. If Mr. Adam can mention one single solitary instance, in which, for some years back, the Nizam's Government has obtained money from any other quarter, but at a much higher interest than he has ever paid to Messrs. William Palmer and Co., he may be borne out in drawing what conclusions he pleases against these gentlemen. The heaviest interest demanded by them, within our knowledge, was in the Aurungabad contract for the payment of the Berar troops. That contract arose out of our Government's having urged the Nizam's Minister to render really efficient the contingent of troops, for which we called upon him on the resort of the Mahrattas to arms in 1817. It was a juncture of apprehension and of exigency, demanding instant provision; yet the firm entered into the engagement for the regular periodical supply of money to the troops on the ordinary rate of interest existing in the country. The transaction was investigated by this Government and approved; the then Resident vouching that the accommodation was settled on the best terms procurable, and that, had native Shroffs been equal to arranging it, they would not have agreed but upon much more burthensome conditions. The sixty lac loan, which Messrs. William Palmer and Co. provided by associating with themselves all the Shroffs of Hyderabad, was, including the agency, at six per cent. under the ordinary rate. The sweeping imputation of exorbitancy thus seems inapplicable: it was brought forward to give a character to representations of influence exercised by Messrs. William Palmer and Co. over the Minister, to make him misappropriate public monies for their benefit. This is a separate question, and any circumstances regarded as giving it verisimilitude, cannot be affected by what I have said respecting the plot or the extortion. On this head, however, I lament to see that Mr. Adam, where the case is one upon which he will have to determine in ultimate resort, has recorded a prejudication, not only decisive, but detailed at great length with laboured bitterness. He justifies his pronouncing so unreservedly on the criminality of the house, by saying, "I cannot resist "the weight of testimony by which it is supported." What testimony? The testimony (I must adhere to the word, though it be misapplied) of an accuser, who himself advances only inferences, conjectures, and constructions, qualified with some expression of doubt. I the more regret Mr. Adam's recording so premature a judgment, because it is within my knowledge that he declined perusing an exposition submitted by Messrs. William Palmer and Co. of all their transactions with the Nizam's Government, though it was surely entitled to claim, that which it alone solicited, a suspension of opinion until the verity of the facts asserted in it could be substantiated or refuted. The reason assigned was, that that he could look at nothing which did not come through the regular channel, that is, the Resident. Now the Resident having been, in some degree, put upon his defence, and conceiving himself to be still more so than is really the case, could not be expected to forward such a document without comments upon it, which, in his state of irritability, would have little chance of being candid, and which would be only fresh crimination against parties precluded from exonerating themselves, by the ignorance in which they would be left of those additional impeachments. I am thoroughly aware, that the upright nature of Mr. Adam would make him eager to retract the severity of his animadversions, should he hereafter find that he had uttered them erroneously; but, in the interval, the impression professed by him, if not balanced by a different opinion, might operate with dreadful injury to the house: in advertence to which possibility, I have thought myself bound to enter into this discussion.

Messrs. William Palmer and Co. may be as culpable as they are insinuated to be; though I should be more inclined to suspect their feeling themselves enthralled to the Minister, through their dependence on him for payment of the

the vast sums due to them, than that they were capable of attempting any sway over him. All I argue for, is, that condemnation should not be passed upon unsifted charges. I only desire that the scales should be held with the evenness incumbent on those who, having to pronounce definitively on so grave a matter, should regard a previous impartial inquiry as indispensable. An examination which will give to Messrs. William Palmer and Co. the opportunity of submitting distinct answers to distinct accusations has been ordered. As to the instructions for that investigation, I protest I was doubtful whether I did not sanction indications of unfavourable presumptions against those gentlemen, beyond what manly fairness could well authorize; yet I chose rather to strain the point on that side, than to narrow any sort of inquiry into transactions represented as questionable. Without waiting for the issue, the Members of Council avow a conviction adverse to Messrs. William Palmer and Co. on the particulars submitted to us, grounding it on the known integrity of Mr. Metcalfe, which would not allow him to make accusations without being satisfied of their truth. Of his belief in what he has stated, wheresoever he has expressed himself positively, I can have no doubt: the correctness of that belief is the point in dispute. While I may truly say, the opinion held of Mr. Metcalfe by the Members of Council cannot exceed that which I entertain of him, I have, in the management of public concerns, to remember the fallibility of temper inseparable from the best of our kind. That fallibility has, I think, been discoverable in the little feverish feelings which his later letters display. Importance attributed to the visits of one or other of the partners of the house to the Minister, with whom they must have had constant business; the uncertainty ascribed to the people of Hyderabad, whether the firm or the Resident be the representative of the British Government; and many similar forced constructions, shew the jealousy which he indulges, and which appears to me as having warped his judgment. Not either those consequences, or the accidental indiscretion of departing from the line of my instructions (whence such irritability has been entailed), diminish my sincere estimation of him. He erred through a generous anxiety to remove the oppressions under which the inhabitants of the Hyderabad State were suffering, forgetting that, in the prosecution of a laudable object, one must not leave out of consideration how collateral interests may be affected by one's procedure. Through that oblivion he overlooked the contingency which my instructions had been framed to bar, namely, the dissatisfying the Minister, exciting that personage's resistance, and thereby reducing himself to the dilemma of compounding for an incomplete reform, or of assuming an illegitimate authority. It is an amiable propensity, to regard with confident prepossession the conduct of a person, with whom habits of a close intimacy from early youth have existed, and whose worth has been experienced; but if that prepossession be carried the length of exacting surrender of judgment, of dispensing with the observance of equity, of justifying breach of plighted engagements, of countenancing direct usurpations, and of assuring unbridled license to a remote proconsul, it becomes an injurious impulse. Mr. Adam would, of course, resist any supposition that he had not exerted his judgment, and he would naturally refer to the reasons assigned by him for believing in the plot. He says: "The details of those intrigues with this "view" (the oversetting the Resident), "and of their ultimate explosion in "the transmission through one of their own members, of the Minister's com"plaints to the Governor-General, have been so minutely and clearly described "in Mr. Metcalfe's despatches, that even the most abridged view of them would "be tedious and unprofitable repetition." To my apprehension, the meaning of that passage is, that Mr. Adam adopts implicitly the inferences of Mr. Metcalfe. Had he exerted his own judgment, I think he would have satisfied himself that what he calls the explosion of the intrigue is the strongest possible internal evidence against its existence. The very last thing into which men engaged in such a conspiracy as is imputed to Messrs. William Palmer and Co. could have slidden, would have been a public step, unavoidably attracting suspicion upon their practices. Mr. William Palmer erroneously deemed his situation, as a pensioned servant of the Nizam, discriminable from his character of partner in the house, and in that conception yielded to the importunity of the Minister, as each of them declare, for his forwarding the letters to Calcutta. Now, had Mr. William Palmer had any consciousness of being embarked in such a plot against the

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the Resident, it is not in nature that he should not have felt it would be indifferent in which of the capacities he became the instrument for communicating the complaint, since either would equally implicate him, and he would infallibly have suggested to the Minister some other mode of transmission, than one which gave him the appearance of being a party concerned, thereby weakening any credence accorded to the sincerity of the Minister's feelings. Let it not be unperceived, that the complaint is represented as fashioned to procure the Resident's removal, whereas it points at no such object; nor does it submit any facts of a quality requiring so extreme a measure, but merely details encroachments on the Minister's authority, beyond what he believed me to intend, and which he hoped I would for the future restrict.

Before I close this head, it is not immaterial to remark a further inaccuracy in the view which Mr. Adam takes of it. In order to fix more pointedly on the house the charge of an intrigue against the Resident, he asks, why the Minister should not have made the Resident, or a stationary Vakeel at this Presidency, instead of Mr. Palmer, the channel for the letter? Mr. William Palmer could not add weight to the representation, and the allusion shews that precise sense of particularity which, as I have said before, would have deterred Mr. William Palmer, had there existed any thing to call for his being on his guard. As to the remainder of the question, Mr. Adam is too well acquainted with the cautious and timid conduct of the natives, not to be aware that the desiring the Minister to send a complaint against the Resident through that Resident, would be a mockery. If the Minister did not explain the contents of his letter, he would be taxed with insidious practice, and would have to dread the consequent ill offices of the Resident: if he did acknowledge its tenor, he would calculate that such counter-representations would accompany it, as might draw upon him the indignation of this Government, against which he would not subsequectly be heard. With regard to the Vakeel, Mr. Adam must have forgotten that, from a period long before my administration, the Nizam was prevented from maintaining here a Vakeel, in order that his Highness might have no means of communication except through the Resident. Mr. Adam therefore, in this specious obviation of the Minister's difficulty, has literally said nothing. Indeed, nothing was required to be said on that score. His observations on my reception of the Minister's letter, in which he is joined by Mr. Fendall and Mr. Bayley, say all; for they intelligibly profess the opinion, that the Governor-General, though charged with the administration of political concerns throughout India, should have no information of what passes in an allied State, but such as it may please the Resident to allow him.

Though these remarks have been longer than I wished, they are not superfluous. They shew the secondary evils (secondary, yet not devoid of moment) inevitable from acting on the principle defended by the Members of Council, while they expose the insufficiency of the veil by which the main question is disguised.

I do not allude to what the reasoning of the Members of Council would establish, the essential, though unacknowledged liberation of the Resident from dependence on the Governor-General, while the latter would nevertheless be responsible for the course of policy which he could not control. That egregious incongruity has already had notice. The objection is of a wider scope.

A perusal of the letter of the 25th October 1822, directed by me to be dispatched to the Resident, will shew, that there was not any reprehensory tone used to Mr. Metcalfe. He had advanced grounds of action, not merely repugnant to all my conceptions of fitness, but incapable of being vindicated in any eventual discussion at home; and he had said, in paragraph 56 of the same letter (31st August 1822), "Until I receive orders to the contrary, I shall continue to pursue the course described in this despatch." No time was to be lost by me, in securing myself against the appearance of sanctioning doctrines so opposite to the principles I had ever been taught to hold sacred. I immediately drafted the letter of the 25th of October, to explain to him that his positions were irreconcileable to the received rules of procedure between nation and nation; and I felt much astonishment when, in a case so evidently pressing, I found that it had not been expedited. Yet under all the sense of necessity

for

for speed in setting Mr. Metcalfe's notions right, no censure was intimated on his contravention of my instructions, unless my having expressed regret at a measure so much at variance with them, as the placing European officers to superintend districts, may be so regarded. Even in that instance, that I might not wound him, I only desired that they might be gradually withdrawn, as soon as, *according to his view*, they should be thought no longer indispensable. It will hence be seen, that the opposition of the Members of Council is addressed distinctly to my prescribing a limitation for the Resident's powers within the dominions of our ally.

This is the main and simple question, on which I have no scruple in saying no latitude can ever be safely allowed.

If the indulging a freedom of construction, respecting the equity involved in it, can mislead a person, so justly esteemed for high moral sentiment as Mr. Adam is, into positions diametrically repugnant to the recognized principles of international law, how dangerous must the laxity be in others, who have not reflected so maturely on the rules for public conduct. To prove that I do not mistake Mr. Adam, I quote his own expressions from his minute. "If the "State of Hyderabad retained any thing of its pristine strength, even so much "as remained to it when it engaged in the alliance, I should hold the principles "on which the treaties were formed, as the unerring guide of our procedure "in all matters between the two States." Again, "I profess my inability to "perceive, in a Government and country so situated, any semblance of that "independence, with regard to internal concerns, which the theory of the alli-"ance recognizes. I do not draw from these facts any inference favourable to "our assuming a despotic rule over this broken-down effete Government. "Justice and policy alike claim from us an endeavour to replace it in something "like the exercise of an independent authority, to restore its prosperity, and to "re-invigorate its resources. But the obligation imposes on us the correspond-"ing one, of taking effectual measures for the purpose; and I see nothing "revolting, but every thing encouraging, in the exercise of the degree of inter-"ference necessary for those admitted beneficial purposes, to a State incapable "of recovering itself by its own energies."

Is then, the debility of a State in alliance with us, and which has suffered no subversion in its frame, to absolve us from the pledges of faith upon which that State formed connection with us? Does incapacity of resistance abrogate those express stipulations, in reliance upon which a Native Sovereign placed himself in virtual dependence upon us? Can an asserted inability to discover any semblance of independence with regard to internal concerns, which the theory of the alliance recognized, annul the immutable principles of justice, and legalize usurpation of authority over the ally, in whatever extent our convenience or our fancy may prompt? I am persuaded, Mr. Adam never can have reflected that, if laxity be admissible thus far, there is no point at which a limit can be defined for it, since the propriety or the necessity of the intervention must rest on the sole construction of the strongest. The best illustration is, what he has thought, in the second quotation, a modification of his proposition; for that modification emanates from the same assumed right of arbitrarily determining the case, and the extent in which interference shall be exercised, respecting the internal concerns of a feeble and unoffending neighbour. . . .

On these grounds, I am confident the Honourable Court will see the expediency of marking with precision the line to be observed in such instances; and there can be but one line prescribed by the Honourable Court, because one alone is consonant to justice. I am authorized in pressing this earnestly: I boldly say, that the quiet acquiescence of all India under our sway, arises as much from the delicacy of procedure and strict observance of engagement (always construed favourably for the weaker) which I have caused to be manifested towards the Native Chiefs, as from the terror of our arms; I should therefore anticipate from a change in this policy, very speedy and serious inconvenience to the interests of the Honourable Company.

Fort-William,
19th December 1822.

(Signed) HASTINGS.

Enclosures in Bengal Political Letter, 20 Dec. 1822.

Letter from Resident at Hyderabad.

(Enclosure No. 25 in Bengal Political Letter of 20th December 1822.)

To G. Swinton, Esq., Secretary to Government.

Sir:

1. Since I last addressed you on the state of the demands of Messrs. William Palmer and Co. against the Nizam's Government, I have endeavoured to obtain from his Highness's Minister some further explanation on that confused subject.

2. You will recollect that, in accounting for the outlay of the supposed sixty lac loan, Chundoo Loll has twice presented an account of the disbursement of about sixty-seven lacs, which is considerably at variance with another account which he has furnished, of the receipts, payments, and balance in that concern, exceeding by the sum of fifteen lacs the total amount of receipts and transfers contained in the specific account of that loan.

3. He endeavours to explain these matters by the following statement:

1. Receipts at Hyderabad .....Rupees	38,54,957	1	9
2. Balance transferred from Aurungabad account	13,45,042	14	3
3. Balance of old Hyderabad account.....	14,70,191	4	6
Total.....Rupees	66,70,191	4	6

This total forms the sum for which he accounts in the statement of disbursements above alluded to, which was submitted to be laid before his Excellency the Governor-General in Council in March 1821, and again recently. He says that these sums having been received at one time or another, he considered himself bound to shew how he had expended them.

4. Of the item No. 1, it does not clearly appear on what dates the sums of which it is composed were received; nor consequently, what portion was actually advanced, after sanction was obtained for the sixty lac loan, and what before.

5. With respect to the item No. 2, the balance of the old Aurungabad account, the Minister asserts positively and pertinaciously, that the balance of the Aurungabad account was transferred to the sixty lac loan, and did not, as now stated by Messrs. William Palmer and Co., form the foundation of the present twenty-five per cent. account. In explanation of the difference existing between the actual sum represented in item No. 2, and that which appears as balance in the detailed Aurungabad account, heretofore submitted, he professes to suppose that some interest had been added, or some small sum advanced, before the transfer was entered in the new account. He accounts for the present attempt of Messrs. William Palmer and Co. to make it appear that the balance of the old Aurungabad account was the foundation of the present twenty-five per cent. account, by ascribing it to their anxiety to shew that they have had no other transactions with the Government besides the sixty lac loan and the Aurungabad concern, and to their fears lest the assignments on account of the twenty-five per cent. account should be withdrawn, if they do not succeed in establishing this point. If the Minister's statement and explanation on this subject be correct, the conduct of Messrs. William Palmer and Co. in this attempt is such as I shall not attempt to designate by any appropriate epithet. If they think so lightly of fabricating statements, they must inevitably destroy, with regard to themselves, that confidence which is accorded to the accounts of merchants all the world over.

6 The item No. 3 contains the sum which Chundoo Loll says was the balance of the old Hyderabad account, and formed the foundation of the present twenty-five per cent. account.

7. You are aware that Messrs. William Palmer and Co. claim a balance on the present Aurungabad account of ten lacs, the actual amount received shewing one of only seven or eight. The Nizam's Minister still asserts the opinion, that the proper balance cannot exceed eight lacs at the utmost; and Messrs. William Palmer and Co. have not yet furnished him with any explanation of this additional demand.

8. You are also apprized, that Messrs. William Palmer and Co. profess to have a demand, amounting in all to thirty lacs, on the Aurungabad account, that is,

is, including old balance and new: and this account is, I conclude, intended as a substitute for the twenty-five per cent. account before submitted. Rajah Chundoo Loll has not yet been sufficiently instructed by them on this subject, and his efforts to explain the transfer of payments on which the statement is represented as founded are confused. He says that he cannot give a decided answer until he sees their new accounts, and that although he will let them make out these accounts in whatever mode they may choose, he will take care that the amount to be paid to them shall not be increased. These accounts are not yet forthcoming.

9. In the absence of satisfactory information of the real circumstances of the transactions of Messrs. William Palmer and Co. with the Nizam's Government, one is reduced to form such conjectures as are suggested by the accounts actually produced.

10. It is remarkable that the two first items of the Minister's statement above exhibited in paragraph 3, summed up together, form the exact amount of fifty-two lacs, thus:

No. 1.....	Rupees	38,54,957	1	9
No. 2.....		13,45,042	14	3
	Rupees	52,00,000	0	0

To which the eight lac bonus being added, the total of the pretended sixty lac loan is produced. No. 1 in this statement, it seems, is meant to represent the sum received on account of that loan; and if actually so received, it is a larger sum than what, from other statements and declarations, appears to have been paid: but what the sum was which was actually advanced after sanction was obtained for the sixty lac loan, and what portion of this item is old, and what portion new debt, are points still far from certainty. It seems very improbable, that the sums actually advanced for the sixty lac loan should correspond so exactly with the balance of the old Aurungabad account (No. 2), in rupees, annas, and pies, as between them to make up the exact amount of fifty-two lacs required, with eight lacs bonus, to produce the total of the nominal loan of 60 lacs. It is more likely that one or the other of these items was increased or reduced, by a transfer from or to some other account. I proceed to offer my own conjecture on the subject.

11. At the time when sanction was obtained for the pretended sixty lac loan, Messrs. William Palmer and Co. had large balances due from the Nizam's Government in two accounts, the Hyderabad account and the Aurungabad account, at an interest of something more than twenty-five per cent. per annum. When sanction was obtained for the sixty lac loan, the pressing exigencies of the Minister were to be met, and these balances were to be secured by transfer to the sanctioned loan. But as the new loan was to be at less than nineteen per cent. per annum interest, whereas the former balances had been at more than twenty-five to prevent loss of profit to the house by the transfer, the secret bonus of eight lacs was instituted. There then remained fifty-two lacs to be made up by advances and transfers; and the total of advances and balances being in excess to that sum, the remainder was left as a balance in the old Hyderabad account, the continuation of which forms the present twenty-five per cent. account. According to this conjecture, I consider No. 1 of the statement submitted in this despatch, as made up partly by payments on account of the loan and partly by transfer from the old Hyderabad account; I take No. 2 to be a transfer, with some addition not explained, from the old Aurungabad account; and No. 3 I suppose to be the balance in excess of the old Hyderabad account, which was left in the old account to go on at the old rate of interest. After the settlement of these operations, the house had three accounts with the Nizam's Government: the sixty lac loan account, at something more than eighteen per cent. interest; the new Aurungabad account, at above twenty-five per cent.; and the old Hyderabad account, at the same: the two former sanctioned by the British Government, but the rates of interest unknown; the latter kept in the back ground, and in fact a continuance of the old Hyderabad account. Whether it be this, or as Messrs. William Palmer and

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Letter from Resident at Hyderabad.

and Co. would now make out, a continuation of the old Aurungabad account, seems to me to be perfectly immaterial in any point of view; but it appears to be the former, from the information as yet in my possession. The upshot of these transactions, as affecting the Nizam's Government, is, that whereas in August 1820, the total of its debt to Messrs. William Palmer and Co. was less than sixty-seven lacs, it had before August 1822 amounted to more than ninety-three lacs, being an increase of twenty-six lacs, instead of the diminution which was expected.

12. If minute and accurate information be required respecting these transactions, which both the parties concerned in them seem to have an interest in obscuring, recourse must be had to the objectionable measure of a thorough investigation of the accounts of Messrs. William Palmer and Co. thereunto relating, without which I do not believe that satisfactory explanations will ever be elicited, and perhaps not even then. I beg not to be understood as recommending this measure. The conduct of the parties has always appeared to me to be a matter of inferior consideration, compared with the result as affecting the Nizam's Government. If this had been any thing but most unsatisfactory, the mention of Messrs. William Palmer and Co. and their affairs, most probably, would never have occurred in my despatches.

13. About three weeks ago, one of the partners of that firm put into my hands, on a private occasion, a proposition for a new loan to the Nizam's Government of sixty lacs at twelve per cent. interest; by which I understand to be meant a transfer of sixty lacs of their present demand to a twelve per cent. interest account. The proposition included arrangements for the payment of the interest, and the liquidation of the principal of the intended new loan. The scheme was unsatisfactory, as it did not include the whole of their demand, and would have left twenty-five or thirty lacs running on in a twenty-five per cent. interest account. It was still more decidedly objectionable on another ground, for it stipulated that the Governors of the districts, the revenues of which were to be mortgaged for the interest and sinking fund of the proposed loan, should be recommended by Messrs. William Palmer and Co.: a proposition which I conceive to be wholly inadmissible. I pointed out these objections and returned the paper, postponing the consideration of the more minute arrangements of the plan till we could know the decision of the Most Noble the Governor-General in Council, as to granting more effectual aid to the Nizam on the part of the British Government. The occasion on which the paper was shewn to me was so entirely private, that I could not, at the time, regard it as a formal proposal from the firm, but considered it as a sounding of my disposition on the subject, with a view to the scheme's being eventually brought forward if sufficiently encouraged. It occurs to me, however, as possible, that Messrs. William Palmer and Co. may conceive that in that proposition they evinced a desire to meet my supposed views for the relief of the Nizam's finances, and therefore I mention the circumstance. If the Nizam's Government were left to its own resources, I should think twelve per cent. *bonâ fide* a fair rate of interest.

I have, &c.

(Signed) C. T. METCALFE,
Resident.

Hyderabad Residency, Camp Yelkacherla,
7th November 1822.

(Enclosure No. 26 in Bengal Political Letter of 20th December 1822.)

To G. Swinton, Esq. Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

1. On the cessation of the arrangement between the Nizam's Government and Messrs. William Palmer and Co., for the payment of the troops at Aurungabad, it appeared that certain pensions had been paid by the branch of the house established at that place, for which provision was to be made anew.

2. Among these, was one of three hundred pagodas per mensem, drawn on the part of "Mr. Gordon and family." Mr. Gordon is a gentleman settled, I understand, in business at Madras, who was formerly in the Nizam's service.

3. On

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3. On being apprized by Messrs. William Palmer and Co. that the payment through their house would cease, Mr. Gordon made an application to me for the continued payment of the pension for himself and his family, which I submitted to the Nizam's Government, and the Nizam's Minister desired that the pension might continue, and be paid hereafter from the Residency Treasury in the Peshcush account.

4. It appeared, on inquiry, that Mr. Gordon's brother had served the Nizam, and had been murdered or killed during the rebellion of Mohiput Ram. That afterwards the present Mr. Gordon had succeeded his brother in his employment, and that, on his retiring from the service in consequence of a mutiny in the troops under his command, a pension had been settled on himself of one hundred pagodas per mensem, another of the same amount on Mrs. Gordon, the mother of the two Messrs. Gordon, and a similar one on Mrs. J. Gordon, the widow of the deceased Mr. Gordon. These pensions were granted with the knowledge and approbation of the British Government.

5 .On Mr. Gordon's being requested to name the places where the ladies above-mentioned were residing, it appeared that they had died.

6. This circumstance being reported to the Nizam's Governm ent,the Minister expressed his astonishment that the demise of the pensioners had never been reported, and desired that Mr. Gordon should be required to refund the amount overdrawn by him since the decease of the two ladies.

7. This resolution being intimated to Mr. Gordon, he disowned having drawn the pensions after the death of those ladies, and pointed out other persons who had received the benefit.

8. This led to further investigation; and it appeared that, after the death of Mrs. Gordon the elder, the amount of her pension, on the recommendation of my predecessor, acceded to by the Nizam's Minister, was divided between her daughter, Mrs. Gee, and grand-daughter, Mrs. Paisley, the sister and niece of the aforesaid Messrs. Gordon, residing, I believe, at Madras, a moiety to each; and that after the demise of the younger Mrs. Gordon, the amount of her pension was divided and similarly settled, a moiety on her sister, Mademoiselle Boutet of Pondicherry, and the other moiety on four persons not named, said to be connexions of the deceased Mr. Gordon.

9. These circumstances were reported to the Nizam's Government; on which occasion the Minister observed, that if the persons had a just claim to the pensions they might be continued, but that otherwise it was desirable to reduce unnecessary expense at the present time: and he expressed a wish that I would determine whether they should remain or be reduced.

10. I was loth to offer any opinion on the subject; for the renewal of the pensions after the death of the two Mrs. Gordons, as well as their distribution, appeared to me to be in some respects objectionable, and I did not therefore like to give an opinion in favour of their continuance. On the other hand, the pensions had been renewed by the Minister's authority, on the recommendation of my predecessor, for which there may have been good grounds: I had, therefore, objections also to the proposing of their discontinuance.

11. I wished the Nizam's Minister to decide exclusively on his own judgment, but this he repeatedly declined; and it was at last settled, that the question should be referred for the decision of his Excellency the Governor-General in Council, which is the cause of my troubling you on the present occasion.

12. The order of retrenchment against Mr. Gordon has been withdrawn, it appearing clearly that he has not received the amount of the two lapsed pensions since the death of the ladies, and his personal pension is continued.

13. The Nizam's Minister appears to have granted the pensions originally, and to have renewed them on the recommendation of my predecessor, without any other motive than that of a desire to accede to his wishes. The renewal of the two pensions after the demise of the original grantees he seems to have forgotten, and is now very willing to get rid of them; but does not like the

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responsibility of an act, which perhaps may give offence to persons of some influence, and thence recoil with some unknown but possible injury to himself.

I have, &c.

Hyderabad, 26th November 1822. (Signed) C. T. METCALFE, Resident.

(Enclosure No. 27 in Bengal Political Letter of 20th December 1822.)

To C. T. Metcalfe, Esq., Resident at Hyderabad.

Letter from Secretary to Government.

Sir:

1. I am directed to acknowledge the receipt of your despatch of the 7th ultimo, submitting further explanations on the subject of Messrs. William Palmer and Co.'s pecuniary transactions with the Government of his Highness the Nizam.

2. His Excellency the Governor-General in Council proposes to suspend a decision on the question of those transactions, until he shall have the only means of arriving at a right judgment, by the arrangement already prescribed in my letter of the 23d ultimo.

3. I am also directed to take this opportunity of acknowledging the receipt of your despatch of the 26th ultimo, relative to the pension granted by the Minister to certain relatives of the late Mr. Gordon, and paid through the house of Messrs. William Palmer and Co., and to acquaint you, in reply, that with respect to those pensions, his Lordship in Council is of opinion that the Rajah should be left to the exercise of his own judgment in continuing or withdrawing them.

I have, &c.

Fort-William, 14th December 1822. (Signed) G. SWINTON, Secretary to Government.

Bengal Political Letter, 28 Dec. 1822.

POLITICAL LETTER *from* BENGAL,

Dated 28th December 1822.

1. As being connected with the subject of our letter to your Honourable Court of the 20th instant, we have the honour to submit copies of minutes by the Senior and Second Members, and by the late Third Member of Council, Mr. Bayley, in reply to the Minute of the Governor-General of the 19th of this month, already transmitted to your Honourable Court.

2. A despatch from Mr. Metcalfe, in reply to the instructions of the 25th October, to which the foregoing Minutes relate, having been received since the date of our letter to your Honourable Court above referred to, we have the honour to annex a copy of it to this address.

We have, &c.

Fort-William, 28th December 1822. (Signed) HASTINGS
J. ADAM,
JOHN FENDALL,
J. H. HARINGTON.

P.S.—We have also the honour to annex a copy of a despatch from Mr. Metcalfe, dated the 6th instant,* and received since the above letter was written, being a reply to the instructions of the 13th November, referred to in our letter of the 20th instant.

Enclosures in Bengal Political Letter, 28 Dec. 1822.

Mr. Adam's Minute, 20 Dec. 1822.

(Enclosure No. 1.)

MR. ADAM'S MINUTE.

I have had the honour to peruse the Governor-General's Minute of the 19th instant. I do not feel myself called on to enter on a vindication of the part I have taken in the recent discussions regarding Hyderabad affairs. I have deeply

* Enclosure No. 5.

deeply lamented the necessity of opposing myself to the views of the Governor-General, but I am consoled by the consciousness of having performed an imperative though painful duty. The case will now be brought fully before the Authorities at home, and I entertain no apprehension of the issue: I shall not, therefore, prolong the discussion, by an examination of the arguments employed by his Lordship to refute the positions maintained in my former Minute, but shall leave each statement to make its own impression.

There are, however, one or two passages in his Lordship's Minute, to which I am constrained to solicit attention; since, if unnoticed, they may expose my conduct to a construction which, I venture to affirm, it cannot justly bear.

First. After referring to the dissatisfaction at Mr. Metcalfe's system expressed by his Lordship in his Minute of the 27th of May 1821, the Governor-General proceeds thus: "Mr. Adam would have it inferred, that because, "from an accidental circumstance, the Minute was not recorded at the time, "Mr. Metcalfe could not have notice of the disapprobation, therefore pro-"ceeded in the confidence that he was fulfilling my wishes. The absence of "official communication to him will not affect the certainty, that the tenor "of such a document, left during some days for leisure perusal in the hands "of persons making common cause with Mr. Metcalfe, must have been im-"parted to him."

His Lordship further says: "The letter from him (Mr. Metcalfe) dated "the 20th of June 1821,* is an evident attempt to meet the impression "declared in my Minute, and which consequently must have been communi-"cated to him, by reconciling his measures to the spirit of the instructions "under which he was to work."

The insinuation so broadly conveyed in the foregoing passages, can require, and shall receive from me, no other notice than a distinct and unqualified denial of the assumption on which it is founded. I never did communicate the substance of that Minute to Mr. Metcalfe; and if he became acquainted with it, it was not through my means. As to being engaged in a common cause with Mr. Metcalfe, if that is meant to convey the notion of a combination against plans which had the sanction of the Governor-General, I utterly disclaim the imputation. Mr. Metcalfe's measures certainly appeared to deserve, and therefore received my approbation; but they were not the result of any previous concert.

Secondly. I acknowledge having declined to read a private letter from Messrs. William Palmer and Co., tendered for my perusal, in strict confidence, by the Governor-General, because I did not wish to acquire, in a manner which precluded me from making use of it, a knowledge of particulars, which might embarrass my judgment on public questions likely to arise between Government and that house. It was at any time in the power of Messrs. William Palmer and Co. to represent officially such of the facts stated in that letter, as they might deem requisite for the vindication of their conduct. I cannot charge my memory with having objected to peruse the letter in question, on the ground of its not having come through the channel of the Resident; nor have I ever felt any objection to receiving directly from the house any statement relating to their own affairs, which could be recorded and openly acted upon. On reviewing the particulars of this transaction, I still think that the course I took was dictated both by fairness towards Messrs. William Palmer and Co., and by a correct view of my public duty. With regard to my alleged prejudication of the conduct of that house, I cheerfully submit to the judgment of those who will have to pronounce on the case, whether I have advanced any opinion which the facts before me, and the inferences justly deducible from them, do not support.

Thirdly. Referring to my suggestion, that Chundoo Loll might have sent his letter through a Vakeel, the Governor-General thus expresses himself: "With regard to the Vakeel, Mr. Adam must have forgotten that, from a "period long before my administration, the Nizam was prevented from main-"taining here a Vakeel, in order that his Highness might have no means of "communicating

* See page 311—note.

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Mr. Adam's Minute, 20 Dec. 1822.

"communicating except through the Resident." If this fact was ever known to me, it has indeed slipped my memory. During Lord Wellesley's administration, in consequence of some act of disrespect on a public occasion on the part of the Nizam's Vakeel, an application was made, I believe, for the removal of that individual, who was recalled, and no Vakeel has since resided here on the part of the Nizam: but the prohibition, and the grounds of it, as referred to in the Governor-General's Minute, are quite unknown to me. I may at least venture to assume, that at any period of his Lordship's administration, a desire expressed by the Nizam or his Minister to send a Vakeel to the Presidency would have been cheerfully complied with. I must, therefore, be permitted to retain the opinion expressed in my former Minute, that Chundoo Loll might have had recourse to that channel, if he had thought fit to avail himself of it. I have only to add my entire concurrence in the sentiment expressed at the close of his Lordship's Minute, and my hope and belief that no principle for which I have contended is at variance with that just and salutary policy.

Fort-William, (Signed) J. ADAM.
20th December 1822.

(Enclosure No. 2.)

MR. FENDALL'S MINUTE.

Mr. Fendall's Minute, 23 Dec. 1822.

I have had the honour of perusing the Minute of the Governor-General of the 19th instant, in reply to the Minutes of the Members of Council respecting the Hyderabad affairs.

As all the papers connected with this subject will be submitted to the Honourable the Court of Directors, it does not appear to me either necessary or advisable to continue the discussions further. The sentiments of the Governor-General and the Members of Council are recorded, and it will rest with the Honourable Court to pass their final decision upon the case.

I must, however, remark on that part of his Lordship's Minute above-mentioned, which relates to the tenor of the Governor-General's Minute of the 27th May 1821 having been communicated to Mr. Metcalfe, that if he obtained information of his Lordship's sentiments, as recorded in that Minute, it was not from me, as I have never written a single letter to Mr. Metcalfe, upon private or public matters, since he was appointed to the Residency of Hyderabad.

Fort-William, (Signed) J. FENDALL.
23d December 1822.

(Enclosure No. 3.)

MR. BAYLEY'S MINUTE.

Mr. Bayley's Minute, 20 Dec. 1822.

After a careful perusal of the Governor-General's Minute of the 19th instant, I do not feel it to be necessary that I should enter into any justification of the sentiments already recorded by me, on the subject of the instructions addressed to the Resident at Hyderabad on the 25th October last.

As the Governor-General's Minute of May 1821 was not seen by me until some time after I had the honour of a seat in Council (*viz.* February last), it is scarcely necessary for me to disavow having communicated the purport of it to Mr. Metcalfe.

Fort-William, (Signed) W. B. BAYLEY.
20th December 1822.

(Enclosure No. 4.)

Letter from Resident at Hyderabad.

To. G. Swinton, Esq., Secretary to the Government, Fort-William.

Sir:

1. I have received your despatch of the 25th October, and have the honour to assure you that the instructions which it conveys shall be faithfully obeyed.

2. As

Enclosures in Bengal Political Letter, 28 Dec. 1822.

Letter from Resident at Hyderabad.

2. As, from the strictness by which those instructions are accompanied, it appears to me that my views and proceedings have been much misapprehended, I trust that it will not be deemed any deviation from the inalienable respect due from every servant of the Company to the Government, if I endeavour, by further explanation, to remove the unfavourable impressions which seem to prevail.

3. In speaking of our supremacy in India, I did not mean to assert a formal supremacy established in all cases by written compact: I alluded to the real supremacy which we now universally, and I did suppose avowedly, exercise. This I consider to have been established, beyond dispute, by the glorious events of the last war, which subdued all those States who previously might have denied it. This supremacy of the British power, exercised, as I trust it always will be, for the happiness of India, I conceive to be the grand political result, if I may take the liberty of expressing the sentiment, which will confer everlasting honour on the administration by which it was accomplished, and entitle it to the gratitude of both countries. I am sorry to see this supremacy questioned, in any degree, by the high authority of the very Government which confirmed it: but, disavow it as we may, it in reality exists; and we daily, in all quarters, exercise the rights which it confers, and submit to the duties which it imposes.

4. Every community of States linked together by intimate intercourse, and forming, as it were, a distant combination, separated from the rest of the world by natural boundaries, or by habits and opinions, or by other circumstances, seems to acquire for itself an international constitution, perhaps the best adapted to its peculiar predicament, and variable according to the revolutions which time effects in all things. That of the European community seems to be founded on the basis of a balance of power, for the preservation of which so many wars and negociations have taken place. The States of India want the materials for such a constitution. That towards which they have latterly tended, which seems necessary for their tranquillity and safety, and appears now to be consummated under the patronage of the British Government, is the supremacy of one great State overawing and protecting all the others. This is a favourable modification of the imperial monarchy which before prevailed; and terrible has been the anarchy which, between the downfall of the one and the elevation of the other, has scourged the plains of India. The minor States now in existence have always been preserved by submission to the ruling power for the time being, and have willingly transferred to our supremacy the allegiance which they before professed to the dominion of the Great Mogul. Accordingly, in all the treaties which I had the honour of concluding with such States in 1817 and 1818, our supremacy and their dependance are declared in the plainest language.

5. Power at all times is liable to abuse; but that which is exercised under avowed political supremacy, need not be more so than power under any other shape or name: nay, when it is acknowledged to be attended by duties of a paternal kind, it might be hoped that a sense of those duties would rather tend to mitigate the selfishness of human nature, and qualify the tendency of might towards oppression. I beg that I may not be considered as an advocate for any system or principle, which can be supposed to make the existence of strength or superiority singly sufficient for any exertion of our will. Unless our will be exerted from just motives for good purposes, and on valid grounds, its exertion would undoubtedly be tyranny, such as I abhor. His Excellency the Governor-General in Council has not under his orders a servant more deeply impressed than I am, with a religious belief that we are bound to respect the rights and interests of the powers entrusted to our protection, with a parental regard, not coldly and politically, but warmly, kindly, and affectionately.

6. If it be true, that we exercise supremacy avowedly or unavowedly throughout India, it is not less so, that we do it, and have long done it, in the particular case of our ally the Nizam. He is not allowed to form any political connections, nor to adopt any measure of foreign policy, without our sanction and guidance, while we are free to make peace or war, allies or enemies, in any part of the world, without consulting him, although he may be involved immediately or eventually in the consequences of our measures. Even with respect to internal affairs, we stipulate (I allude to past events) that the Minister of his choice

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shall have no share in the administration, and that the subordinate Minister of our adoption shall exercise exclusive power in the State. Our troops occupy his Highness's country and the vicinity of his capital, while another army, nominally his, is officered by Gentlemen recommended by our representative. Internally as well as externally, his Highness's Government is under our protection. If this be not undisguised supremacy, in what does it consist? It is also most probable, and seems certain, that without our support, his country must have fallen a prey to Tippoo, or the Mahratta, or the Pindarries, or some successful adventurer; and it appears from the records of this Residency, that the grant of a subsidiary force for the protection of this State against such dangers, was assiduously sought for a considerable time before we acceded to the proposition. The unavoidable consequence of such complete dependence on the one hand, would seem to be acknowledged supremacy on the other.

7. Supposing this condition of relative supremacy and dependance to be in undoubted existence, it did appear to me to be a legitimate conclusion, that the people were entitled to our protection against grievous oppression, on two grounds; first, because the balance between prince and people, usually existing in independent States, was destroyed by the intervention of our foreign army; and secondly, because the country was despotically governed by a creature of our will supported by our power.

8. This conclusion has been overruled by his Excellency the Governor-General in Council; and, of course, I bow with submission to the decision, pleading the above-mentioned considerations in extenuation of my error.

9. The duty of protecting the people against oppression being disavowed, the state of our relations with this court is much simplified. The principle of non-interference in internal affairs is declared. That principle, if acted upon, would secure at least the rights of the sovereign, and would draw a decided line for the guidance of our Resident; but at the very moment when it is asserted, it is already violated. We have interfered, we are interfering, and in all probability shall continue to interfere: and it is remarkable that our interference, past and present, extends to that which, even in the constitutions of the most limited monarchies, is left to the prince, namely the choice of his servants. We say to the sovereign, not avowedly, but practically and intelligibly, "You shall not govern your own territories, nor choose your own ministers." We say to the people, "You have no title to our protection against oppression." While their apprehension of the nature of our connexion with their Government, and their experience of the past, will add for us: "but if you are "goaded into rebellion we will take care to punish you." Then setting aside the rights of the prince and the interests of the people, we uphold a Minister with absolute power, mitigated only by that very interference on our part which we formerly disavowed.

10. A system of non-interference, founded on regard for the rights of an independent sovereign, if practicable under the circumstances of our intimate connexion with the Nizam's Government, would have great and decided advantages; and is that, I conceive, which we ought to endeavour to establish: provided always, that the irresistible strength which our protection affords to the Government be not converted to the oppression of the people.

11. A system of interference for the protection of the people against oppression, confined to that object, and founded on necessity and political supremacy, which is in fact the system on which I have been acting, under the supposition of its being the one adopted by his Excellency the Governor-General in Council, has also great advantages in the good which it effects. It is the application of paramount power for the relief of suffering humanity. This system embraces the welfare of the people, as the real welfare of the State and of its rulers. If it be objectionable, on the ground of its invading the independence of the sovereign, it is surely less so in a case, wherein his independence has been already destroyed.

12. A system of unavowed, but actual interference, through the instrumentality of a Minister imposed on the sovereign, and sustained in authority by the will of the protecting State, is no less a violation of the independence of the

the Sovereign. It transfers, in fact, as well as in appearance, the sovereignty of the State from the hands of the prince to those of one of his subjects. It makes the protecting power the partisan of an individual; and its success, if no check be kept on that individual, must depend entirely on his character.

13. What has been described in the last paragraph, was nearly the state of affairs when I arrived at Hyderabad. Rajah Chundoo Loll, through our means, was the actual ruler of the country. The necessity of our interference to rectify the evil consequences of long mal-administration had been declared, and the Resident had been instructed to interpose his advice and influence for the good government of the State.

14. What was it that created the necessity for this interference? The Minister of our choice was supreme, unresisted, irresistible. How came it that he needed our interposition for the better government of the country? How came it, in short, that the country had been badly governed during his long administration? The power was in his hands. Did he want the ability or the will to govern justly and uprightly? No one disputes his ability: it was then the disposition that was wanting. This brings the question to the personal character of Chundoo Loll.

15. Had a proper regard for the welfare of the people entrusted to his governance been the rule of his administration, he would never have needed our advice. With his experience, knowledge, and ability, he could govern the country better without, than with our interference: but the great fault of his character pervaded all things, and ruined every thing that came within its grasp. The undefined, unlimited extortion of money, for the purposes of corrupt and wasteful expenditure, superadded to the real exigencies of the State, was the crying evil which laid waste the country, and loudly called for redress. All the other defects of his administration were comparatively so trifling, that they were lost sight of in the astounding blaze of this grand vice.

16. Now comes the consideration of my conduct. The evil above-mentioned was that with which I had to contend. The disposition to extortion was rooted: the blindness to its consequences seemed incurable. Money was always wanted, and the most unjustifiable means were resorted to in order to obtain it. It was impossible that the Government could exist, unless this evil were checked. The advice of my predecessor had proved unavailing on this point. The measures delusively adopted on that advice had been evaded and confounded. Extortion continued, and could not be repressed without a reform of the revenue system, or the removal of the Minister and all his subordinate agents.

17. If it would have sufficed to advise or entreat Chundoo Loll to desist from plundering the people, I should gladly have stopped there. I could have no motive for giving myself unnecessary trouble; and I venture to appeal to the whole of my official life for proofs, that gratuitous intermeddling forms no part of my disposition. But I did not suppose that the advice and influence of the protecting power were to be turned to scorn by the creature of its will. I could not conceive that the interposition of the British Government was to be exercised ineffectually, and was to end in a few words of advice, which the Minister was at liberty to accept or reject as might suit his convenience. Mere advice would have been as useless as it was unnecessary. Unnecessary, because there was no want of ability on the part of the Minister; useless, because the one thing wanting, honesty, was not to be forced into him by mere advice; if advice alone would have sufficed, it would never have been needed.

18. The reform desired was only to be obtained by the application of the influence of the British Government, in such a manner as should give us a knowledge of great abuses when they might occur. Without this knowledge on our part, it was in the Minister's power to make our interference nugatory and ridiculous. Acting on this principle, I directed my attention to the cure of what appeared to me to be the great and ruinous evil,—undefined, destructive extortion. The measures pursued to remedy this evil have been repeatedly reported in detail, and need not now be described. They were not proposed authoritatively and dictatorially, nor otherwise than in the most conciliatory manner. They were acceded to readily without hesitation, and with apparent cordiality: there

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was no resistance, no opposition, no want of ostensible co-operation. Messrs. William Palmer and Co. had not then ventured on their counteracting intrigues, and the Nizam's Minister believed, as I did, that I was acting with the countenance and confidence of my own Government. His attention to my advice accorded with that belief, and wavered only when that belief was shaken, by the successful arts of those who trembled at reform as hostile to their gains, and had selfish motives for exciting the Nizam's Minister against the British Representative.

19. To suppose, however, that the Minister could cordially like our interference in the affairs of his administration, would be to imagine something very unnatural. He would, no doubt, relish our interference less and less, in proportion as it became more and more effectual. His attention to our advice was the price which he paid for our support; our support was well worth it; he therefore readily gave it. But the same causes which rendered our interference necessary, unavoidably made it unpalatable. Who that should come between the tiger and his prey could be an agreeable interposer? If what we proposed had been exactly according to the Minister's own inclination, where would have been the necessity of our interposition? If some exertion had not been requisite to render our interference efficacious, it would not have been wanted: for it is on every side admitted, that the Minister, on the score of talent, knowledge, and experience, is fully competent for the duties of his office.

20. The merit of the measures which I have recommended rests entirely on their necessity. I am no advocate for interference that can be avoided. If they were not necessary, if our interposition could have been rendered efficacious with less interference, I acknowledge that they have not only been useless but mischievous. I should be the first to propose their discontinuance, were I not convinced that they are indispensable to check the unbounded extortion which would otherwise prevail.

21. I grieve at learning from your despatch, that these measures are scarcely in any degree approved, and that they are generally, and in some respects, strongly condemned. I will not dwell on the personal mortification of such a result of my endeavours to fulfil the instructions of my Government; but I must solicit, from the justice and indulgence of his Excellency the Governor-General in Council, a reconsideration of this sentence, with reference to my earliest, as well as subsequent reports. If I explained my intentions in plain terms, as far back as February 1821, and intimated that, for the purpose of preventing extortion, I should not scruple to exercise direct interference in every part of the country, without which that purpose could not be gained; if, after the Government was in possession of my plans and sentiments, I received under your official signature a public letter of approbation, surely I was justified in conceiving that my measures were countenanced and sanctioned by my Government; and if they have been carried to an undesirable length, it has in reality arisen from that conception, much more than from my notions regarding the theoretical principles of our interference, to which they are attributed in the fifth paragraph of your letter now acknowledged.

22. I supposed myself called on to remedy, by advice and influence, as the representative of a paramount power, the evil consequences of the long and vicious administration of the Nizam's Minister. I saw, as any one might see, what was the chief inherent vice, and I set to work to impose a check on it, by measures adopted with his consent and co-operation; or rather, adopted by him at my advice and recommendation. Had I been aware, or for a moment imagined it possible, that the confidence of my Government was with him and not with me, that responsibility attached solely to him, and that it was no part of my duty to recommend efficient measures, my course would have been different: but in that which I have pursued, I have been Chundoo Loll's best friend; for had I contented myself with marking the progress of extortion, instead of recommending measures to check it; had I reported daily acts of misrule and oppression, instead of endeavouring to prevent and redress them, the utter ruin of the country itself, and the multiplicity of the Minister's malpractices, must have hurled him from his place: whereas he is now saved, by the very measures which impose a check on his misrule.

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23. As my statements on this subject are discredited, as being so little consonant to any former accounts of Chundoo Loll, I must have recourse to those of my predecessor. After extolling the merits of Chundoo Loll as a minister, and asserting the dogma, that exaction is the necessary vice of every Government which derives its principal revenue from the direct rent of land (an opinion in which I cannot agree, if by exaction is meant unprincipled extortion, in violation of established rights; and if by exaction is only meant the desire to raise the greatest possible revenue consistent with due attention to those rights, it is not the exaction of which I complain), Mr. Russell proceeds to state, that "every Indian Government subsists upon its immediate "means, and that public credit has no existence;" and then adds, "extra-"ordinary expences, therefore, must be met by extraordinary exactions. "This is the sole and entire cause of the difficulties of the Nizam's Govern-"ment, and the source of every oppression that is suffered by its subjects. "The officers of the revenue being required to pay to the Government more "than their districts can afford, are obliged, in their turn, to oppress the "inhabitants by plunder and confiscation." It is to be noticed, that these officers of revenue are officers of every thing; that they are the absolute rulers of their districts, and that there is no local check or control over them. Whether this horrid state of rule be considered with Mr. Russell as a necessary defect in the Government, for which the Regent Minister is not responsible, or as a proof of mal-administration, the necessity of reform is equally obvious.

24. On this subject Mr. Russell observes: "Any plan of reform, to do "effectual good, must be general and comprehensive. Such a plan, under the "present circumstances of the Nizam's court, can proceed from no other "source than the supreme authority of the British Government, and must have "its foundation either in the diminution or in the increase of our interference. "If there were any individual among the Nizam's own servants qualified by "his character and talents to exercise the functions of Government without "control, it would certainly be desirable that he should be made Minister, "and that the correction of the evil should be left to the spontaneous effort "of his judgment and activity; but there is no person to be found, &c." In this extract, the supreme authority of the British Government is broadly asserted. The exercise of a control over the Minister is clearly implied, and interference is recommended on the ground of necessity. These principles were sanctioned by the approbation of Government, and thence became confirmed for the guidance of Mr. Russell's successor.

25. In subsequent parts of the same report the following sentiments occur. "If we increase our interference, to do any effectual good, we must increase "it largely. I am persuaded that nothing short of a close, vigilant, and "decided control over the internal administration of the country, will be "attended with any real or lasting benefit: but this control should be "exercised through the medium of advice and influence, and not by the "direct exertion of authority."....."Chundoo Loll is the person I would "employ as the chief instrument of reform."....."The Collectors of the "revenue will not press the inhabitants of their districts, when they are not "themselves pressed by the Government."....."The districts should be given "to them in aumannee, not in ijarah; that is to say, they should be Collectors, "not Farmers of Revenue."....."One of the most fertile sources of imme-"diate injury is the want of faith in agreements. Every cowl should be held "sacred. The ryot should never be required to pay more than the assess-"ment for which he stipulated." I stop here to observe, that my peculiar measures are confined to the indispensable object mentioned in the last extract, the attainment of which is necessary for the future existence of the country. Had this object been accomplished before my arrival? I say no. The measures recommended by my predecessor were originally, I think, inadequate; but even those measures had been counteracted, evaded, and nullified by the Minister.

26. In the preceding extracts I have selected only those passages which suit my present purpose, of shewing that the misrule of which I have complained,

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and the necessity of remedying that misrule, were duly apprehended by my predecessor. He ascribed it to some necessity in the system of Native Government. I, seeing no such necessity, hold the executive administration to be responsible, without referring at present to the known character and conduct of Chundoo Loll. I should have been better pleased with some of Mr. Russell's remedies than my own, if they had been efficacious; but as they had failed after experiment, and as the faithlessness of the Minister's character had been further developed by the actual counteraction and annulment of the arrangements to which he had assented, measures of greater security, though strictly confined to the same object, had become necessary, to which, when proposed, he gave as ready an assent as to the former, probably with no greater sincerity, and with the reserved intention of thwarting them also, in which he has as yet, I trust, in a great degree been disappointed.

27. In looking over Mr. Russell's Report of the 24th November 1819, from which the preceding extracts have been taken, I have been particularly struck by the following remark. "In a late despatch, I computed the debt of the "Nizam's Government at fifty lacs of rupees: I have since seen reason to "believe, that that estimate was too large." If Mr. Russell was at that time correctly informed, what is to be thought of the management of a Minister, who in three years of peace had doubled, or nearly trebled, the public debt? And what of his good faith and truth, if he deceived Mr. Russell on that occasion? Whatever may have been the amount of debt at that time, there is no doubt that it has since greatly increased, owing partly to the improvidence and wasteful expenditure of the Minister, and partly to the fatal connexion existing between him and Messrs. William Palmer and Co. From fifty, if that was a correct statement, the debt has risen to above one hundred and twenty lacs; of which above ninety, by the last account, were due to that firm.

28. I now beg leave to offer some explanations on the subject of the sixth and following paragraphs of your despatch.

29 Any inculpatory allusions to Chundoo Loll that I have ever made, have been in the discharge of my duty, with a view to the information of his Excellency the Governor-General in Council. That Minister's character cannot be a matter of indifference: it pervades and influences every branch of the administration of the Nizam's Government; it is the direct cause of our interference. It is my duty to describe it; and in describing it, I follow no other guide than truth, and have no other motive than a desire to submit accurate information to my Government. I have not had to complain, nor have I complained of opposition, or even open hesitation on his part, in attending to my advice. I have always encouraged a full discussion of my propositions, and have frequently found it difficult to persuade him to act on his own judgment. What I have constantly had occasion to notice, and that incidentally as a matter of information, is the underhand counteraction, proceeding from the character of his own separate measures in the detail of the Government, in which I take no part, and arising from the rooted vices of his disposition, or the incurable habits of his administration.

30. It is imputed to me, in the sixth paragraph of your letter, that I have used an authoritative tone in the counsels which I have conveyed to the Minister. I am not sensible of having done so. In my early communications with him, I met with a facility, on his part, which rendered such a tone entirely unnecessary. A necessity afterwards arose for occasional remonstrances in the course of business, proceeding from the underhand counteraction, which I have mentioned, to measures which he had ostensibly adopted and professed to approve. But such remonstrances were friendly, and whether communicated by myself, or in my absence, through the channel of my Assistants, were not deficient in the respect due to his situation. The first symptom of opposition to our measures was in the note to Lieutenant Barnett, which was forwarded to Government; and the first notice that I received of any personal ill-will, was in the complaint which accompanied that production. Neither the one nor the other would have had any existence, had not Messrs. William Palmer and Co. considered my measures as injurious to their interests.

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31. The authority granted to British officers acting under the Nizam's Government, through the intervention of the British Resident, to give their attention to the suppression of depredations, robberies, and such crimes as affect the safety of the community, is especially objected to, in the sixth paragraph of your despatch, as an ostentatious assumption of the Government, and as calculated to agitate the Minister, by inspiring doubts of our sincerity, and by exposing him to the probable indignation of his master, in consequence of his acquiescence in the exercise of such unlicensed power. On this particular point I have to submit the following observations. First, that the same authority was exercised before my arrival, in a more direct and ostentatious manner than at present: and it is a remarkable fact, that one of the first acts of my Residency was to check the exercise of such authority, which has since been restrained within defined limits. Second, that however desirable for the peace of the country and the happiness of the people, it forms no essential part of those measures which are peculiarly of my suggestion. Third, that it might, therefore, be discontinued, without destroying what I deem most indispensable, if this would reconcile the Most Noble the Governor-General in Council to the rest of my measures, or if such should be his Lordship's pleasure. Fourth, that this is, however, the least objectionable part of our interference in the eyes of Chundoo Loll, and that its cessation would not be considered as a boon, if the means of checking extortion were retained. It may, indeed, be said, that in such matters he frequently requires our assistance.

32. I am deeply sensible of the value of the concession contained in the seventh paragraph of your despatch, which authorizes the continuance of my measures as long as they may be really necessary; though I am sorry it does not rest on different grounds. By this concession, much as I suffer from the remarks by which it is accompanied, the good effected by our interposition will be maintained and improved. I should have grieved much more if these necessary measures had been abruptly abrogated, even though, at the same time, I had been extolled to the skies. The highest honours could not have compensated for the injury which would have ensued.

33. With respect to the individuals employed in the execution of these measures, I beg you to assure his Excellency in Council, that there is not, either on their part or on mine, any remissness in the discharge of our relative duties with respect to the Nizam's Government. Their conduct I hold to be eminently meritorious. They will have my gratitude as long as I have a feeling left: and I venture still to recommend them to the approbation of his Lordship, notwithstanding the sentence passed on my proceedings, being assured that they will not suffer in his Lordship's estimation on account of errors which they could not control. I should be sorry, indeed, if they were made to feel, that to serve under me is a curse which blasts the best fruit of their honourable zeal and beneficial services. Some considerable misapprehension must prevail respecting the age of these gentlemen, since they are termed in your despatch, "those very young and inexperienced individuals to "whom that important superintendence is delegated." Some are between forty and fifty, others between thirty and forty; and only one of those, to whom that superintendence has ever been delegated, is under twenty-seven or twenty-eight, and of him I can safely speak in terms of unqualified applause. Two other young men have been temporarily employed on special services, in subordination to one of those gentlemen, and their merits also are of a high class. I consider myself as peculiarly fortunate, in having to co-operate with individuals of such superior character, generally, as those who have aided in the improvement of the Nizam's country: the more so, as for the most part they were entirely strangers to me, whom I found established in the Nizam's service. The power which they exercise is not altogether undefined. I have always endeavoured to restrict it within the narrowest bounds compatible with efficacy; and when I found that a clamour had been excited by an interested faction, I took the precaution of issuing a circular note of rules, which was, in fact, a summary of the instructions which had been from time to time impressed on individuals, privately or officially, as occasions required. I now submit a copy of that circular.

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34. In paragraph 8 of your despatch, I suffer from another misapprehension of my sentiments. It is supposed that I have spoken with regret of Moneer-ool-Moolk's exclusion from any share in the Government. I may have regretted the seclusion of the sovereign; I may have regretted the monocracy of Chundoo Loll, supported by our influence, because these give the air of usurpation and oppression to the existing order of things; but I have never regretted the exclusion of Mooneer-ool-Moolk from power. The only thing that I lament respecting him, is the enormous sinecure which he devours—a single sinecure* of a hundred thousand pounds, out of a revenue of less than two millions. If I had my wish respecting Mooneer-ool-Moolk, this drain on the resources of the State should cease, and he should retire on respectable means of subsistence, leaving to Chundoo Loll the name as well as the reality of the Prime Minister's office. I am no partizan of individuals, and do not care a fig for Mooneer-ool-Moolk: but I foresee that I may soon be represented as hostile to him. He is in the gripe of Messrs. William Palmer and Co. as well as Chundoo Loll. It is necessary for their interests that he should retain his sinecure; and there is an intrigue at present afloat, directed against both the Ministers, which those gentlemen,† from the acuteness of their sensitiveness, I have no doubt will give me the credit of patronizing.

35. It is with great regret that I perceive, from observations contained in the eighth and ninth paragraphs of your despatch, that the opinions expressed by me of Chundoo Loll's character are ascribed to prejudice, arising from my belief in his studied opposition, and that the estrangement supposed to exist between us is attributed to an unconciliatory tone and demeanour on my part.

36. In reply to the first of these imputations, I beg leave to refer you to my earliest despatches, in which you will perceive that my opinions of Chundoo Loll were formed when he had not shewn the slightest symptoms of objection to my propositions, when he was all seeming readiness to meet my wishes, when he strove ostensibly to make the execution out-run the expression of my supposed will. My opinions are the same now as they were then, fortified by personal experience. They could not, therefore, have originated in his subsequent conduct, even if there had been any studied opposition on his part.

37. With respect to my tone and demeanour, I beg leave to assure you, for the information of his Excellency the Governor-General in Council, that there has been no wilful deficiency in that respect, and that if I have failed in conciliating, it has been the fault of my nature, and not of my inclination; or it has been an unavoidable consequence of the measures of check which it has been my duty to recommend. Chundoo Loll was the man with whom it was my duty to co-operate. I had to persuade him to adopt measures of necessary restraint on himself. Whatever I had to do was to be done with his consent: there could be no possible motive for my wantonly disgusting him by an unconciliatory tone or demeanour. As to estrangement, there is none for any official purpose. Our co-operation is as perfect and as active as it was; our communications as friendly as ever. I will take care that the public interests shall not suffer from any want of conciliation on my part, and there is no danger of it on his. The interference of Messrs. William Palmer and Co. is the only thing that can interrupt our harmony. As I attribute entirely to them all past miscomprehensions, any personal feelings that might be supposed to exist against Chundoo Loll, for his hostile attack on me, are almost obliterated; but even if they were stronger, I should not, I trust, allow them to actuate in any degree my official conduct.

38. The instructions contained in the eighth and ninth paragraphs of your despatch, settle the only point that before appeared doubtful, and will enable me, I trust, to support Chundoo Loll in any difficulty that may arise. When I solicited instructions for my guidance, in the event of the Nizam's expressing his pleasure for the dismission of that Minister, I endeavoured to explain that I did not expect such a contingency. It is justly concluded, in the ninth paragraph of your letter, that no instigation to it could originate with me, for certainly

* Exclusive of many held by other individuals.

† Messrs. William Palmer and Co.

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certainly such instigation would be a great contravention of the orders under which I act; and I have never entertained the least desire for Chundoo Loll's removal. I still hold the same sentiments that I have invariably expressed on that subject. I am not, however, aware that such a purpose might not occur to his Highness without external suggestion, neither am I convinced of his indifference on the subject: his real feelings are still a mystery to me. There can never be wanting interested persons to urge him to such a step, but there are at the same time many of the same class to deter him; and the caution of his disposition is against an effort which, if it should fail, would injure his dignity and increase the despondency ascribed to him. I should heretofore have thought it a bounden duty to endeavour to win his confidence, and ascertain his real sentiments on all things. A private visit, which I paid to him soon after receiving charge of the Residency, was devoted entirely to that purpose, as reported in one of my earliest despatches. The reserve with which my overtures were met, was in itself sufficiently discouraging, and the ice has never been broken through. I infer, from parts of Chundoo Loll's letter to his Excellency the Governor-General, that he considers it his own interest to keep the Nizam and Resident asunder; and his views have been greatly aided by seclusion, reserve, and distrust, on the part of the former, and by a disposition on the part of the latter, which, whatever its own feelings may be, is easily chilled and repelled by such symptoms. It is as well, perhaps, that I failed in my attempt to win his Highness's confidence; for if his feelings respecting Chundoo Loll are really those which are attributed to him, I might not have succeeded in reconciling him to the continuance of that Minister. His Highness's confidence would have been followed by disappointment; and utter despair and disgust might have ensued. It may be better as it is.

39. In describing the means which may be resorted to, to deter the Nizam from urging the removal of Chundoo Loll from the Ministry, your despatch, in the ninth paragraph, suggests the throwing out of a hint, that the British Government might claim for itself, as standing in the Paishwah's position, all those rights over the Hyderabad dominions which that Prince had possessed. All these rights are to be ceded in perpetuity in the treaty which is on the point of conclusion, and could not therefore be reclaimed, except in the event of a breach of treaty on the part of the Nizam. Either this circumstance escaped your recollection in preparing that instruction, or I have miscomprehended it.

40. On the subject of the tenth paragraph of your letter, I can only repeat my solemn conviction, that the Minister's representation to his Excellency the Governor-General proceeded from his connexion with Messrs. William Palmer and Co., was a consequence of their influence over him, through the persuasion of their influence in the British Government, and was instigated or encouraged by them or their emissaries and partizans. Those gentlemen seem first to have given ear to false reports respecting my intentions towards them and the Minister, and then to have considered my removal as necessary for their interests. Much as I am astonished at the unexampled audacity of their proceeding, I have not a shadow of doubt that it was directed to that end, with the most presumptuous hopes of success. In other words, they came "to issue" with me, as previously threatened by Sir William Rumbold. I possess no security against errors in my judgment, but nothing has yet occurred to shake the conviction which I feel on this subject, founded on a mass of local and circumstantial evidence, the force of which, I am well aware, it is impossible to convey in any description.

41. With reference to the subject of the eleventh paragraph of your despatch, I hope that I am not considered as having offered any objection to a direct communication between his Excellency the Governor-General and the Nizam's Ministers. This is a point solely for his Lordship's consideration, in which I do not acknowledge any personal interest. I shall, I have no doubt, be treated with the same confidence which is shewn to other agents of the Government; and if my conduct will not stand the test of an indulgent consideration of any complaints that can be ever brought against it, I must take the consequences. Agents will be efficient in proportion as they are trusted; and

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if any countenance be given to intrigues of counteraction, the public interests will suffer. On the other hand, agents may abuse the trust reposed in them, and public mischief arise in that way. I disown any personal concern in the decision of this question as a general one; but if this court, during my Residency, be made an exception to a general rule; if this be the only court in India wherein the Minister is invited to send complaints against the Resident through other channels; then there is, of course, a personal discredit in the proceeding, against which I can only shelter myself in humble submission to the will of Government and in the conscientious discharge of my duty.

42. I trust that, in my anxiety to explain my conduct, views, and sentiments on those points, in which they have been misunderstood, I have not deviated, in any degree, from the respect due to the Government. All the orders and injunctions contained in your despatch shall be implicitly obeyed. No preconceived notions, on my part, shall ever interfere with that indispensable obligation. If I do not succeed in obtaining the approbation of the Most Noble the Governor-General in Council, I must endeavour to support myself with the reflection, that I have done every thing in my power to the best of my judgment to deserve it; and while I deplore the fatality which has confounded my hopes in that respect, I derive some cheerfulness from the belief that good has been effected by my endeavours, and that the misery, extortion, and oppression which before prevailed have been diminished.

I have, &c.

Hyderabad,
29th November 1822.

(Signed) C. T. METCALFE,
Resident.

Memorandum.

MEMORANDUM.

The following additional observations are issued for the guidance of officers charged with the duty of exercising an interposing influence for the protection of the Nizam's subjects from oppression, and for the advancement of the prosperity of his Highness's dominions.

The objects of our interposition have been before stated: the present observations regard the mode in which it is to be exercised.

It is to be understood, that the interposition of British officers sanctioned by the Nizam's Government, is generally one of counsel, influence, and check, and not of positive authority or command; it is, therefore, incumbent on all officers employed for the purpose above-mentioned, to act in concert with the local authorities of the Nizam's Government.

Their interposition is to operate by advice, and when necessary by remonstrance; but they are not to consider the local authorities as placed under their orders. It may be expected, that advice and remonstrance will, in most cases, be effectual; but when they fail, application is to be made to the Nizam's Government, by representation to the Resident.

On all occasions requiring the attendance of persons, such persons should be summoned by the aid of the local authorities of the Nizam's Government, unless when there may be strong and sufficient reason to pass them by, in which cases persons may be separately required to attend; but, in such cases, force is not to be used to compel them, though when the aid of the local authorities is obtained, compulsion may, of course, be used by the latter on their own responsibility. Whenever the attendance of persons is prevented by neglect or connivance on the part of local authorities, or by the refusal of parties whom it may have been necessary to summon separately, notice should be conveyed to the Resident, who will invite the Nizam's Government to adopt the requisite measures.

The seizure, however, of murderers, robbers, and other heinous offenders against the peace of the community, may be effected with or without the co-operation of local authorities, as opportunity may dictate. When seized, they should be transferred to the custody of local authorities, unless, from peculiar circumstances, it be necessary to send them to the capital; and nothing herein said

Memorandum.

said is to be construed as precluding the reception of such persons as attend spontaneously for their own interests.

When special duties may be superadded to the general superintendence to which these observations apply, the powers requisite for the discharge of those duties will be specially conferred.

It is hoped and confidently believed, that no relaxation will take place in the honourable zeal and generous exertions, from which so much benefit has manifestly resulted to the subjects of the Nizam's Government. The prevention of oppression and extortion, together with the inviolate maintenance of engagements, are paramount objects which are never to be neglected. At the same time, we must endeavour to uphold the interests and dignity of the Nizam's Government, and the respect due to the local authorities which represent it. We must strive to prevent as much as possible, consistently with the accomplishment of the objects of our interposition, the appearance of dissension or division. Our real ends will then be most effectually attained, when we can again withdraw our interposition, leaving the machinery of the Nizam's Government unimpaired, with an assurance that the people will no longer be subject to oppression. It should always be borne in mind, that the interposition of British influence arises out of peculiar circumstances, and is not intended to be permanent. When extortion and misrule cease, with a reasonable prospect that they will not revive, the necessity for our interference will also cease.

Such further explanations as may be required, on any particular connected with the subject of these notes, shall be furnished on application.

Hyderabad Residency,
26th August 1822.

(Signed) C. T. METCALFE,
Resident.

(Enclosure No. 5.)

To George Swinton, Esq., Secretary to the Government, Fort-William.

Letter from Resident at Hyderabad.

Sir:

1. According to the orders contained in your despatch of the 13th ultimo, I have called on Messrs. William Palmer and Co., jointly and individually, to declare whether they in any way, directly or indirectly, encouraged the Minister to bring forward his complaints against me, or to what extent they were privy to his design, or apprized of the contents of the letters to the Governor-General and the private Secretary, or of the notes to Lieutenant Barnett which accompanied those communications. Copies of my letter, and of their reply, are herewith enclosed.

2. With respect to the notes to Lieutenant Barnett, they admit, in my opinion, enough to confirm the proofs before derived from indubitable internal evidence, from the Minister's conduct, and from collateral circumstances, as detailed in another place, of a combination between those parties in the preparation of the principal of those documents, and especially in the contrivance of the fallacious plan therein proposed, with a view, ostensibly, to the payment of the Nizam's debt, but really, to the advance of thirty-five lacs by the British Government, for the benefit and convenience of Messrs. William Palmer and Co.

3. They state, that the Minister had constantly made the interference of our Government in the details of his, an excuse for not keeping his engagements with them, and that he had expressed considerable annoyance upon the subject; that they had recommended what they had invariably done, an unreserved communication with the Resident, as the most correct and obvious mode of relieving himself from the embarrassment; that the Minister afterwards communicated to them the contents of his letter to Lieutenant Barnett, which related, in a great degree, to their affairs; that the knowledge of his intention of paying them was very important, and that they were very anxious about the fate of his request, as the receipt of the money would have been of great service to them.

4. This avowal, that they were anxious about the fate of his request, strikes me as intended to account for some proceeding on their part, respecting the note

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note to Lieutenant Barnett, which is as yet unknown to me, and strengthens my prior belief, that there was a proceeding regarding that document antecedent to the transmission of the Minister's letters. This they do not chuse to proclaim unnecessarily; but conceiving that it may have been discovered in some quarter, they seek to justify it where it may be known, by alleging their anxiety about the fate of the request.

5. Be this as it may, there is, I think, ample evidence in their own avowal, to shew the existence of combination in the production of that note.

6. Independently of this, it appears from their own statement, that the Minister had constantly confided to them his dissatisfaction at our interference in the affairs of the Nizam's Government; that they had been his counsellors as to the measures to be adopted for getting rid of that interference, not once or twice, but continually, from their own shewing; in short, that they were engaged in secret and confidential communications with the Nizam's Minister of a political nature, and relating to the affairs of both Governments, which were withheld from the Representative of the British Government, under the protection of whose Flag these gentlemen were carrying on their business, and from whose confidence they derived the means of their free and unrestrained intercourse with the Court. It appears that the Minister communicated to them a dissatisfaction which he did not intimate to the British Representative, and that they conveyed counsel to the Minister, which they did not think it necessary to impart to that officer. The existence of these continued consultations is acknowledged, their interest in the furthering of the Minister's supposed object is implied, the result has been seen; but their participation in that result is denied.

7. On this part of the subject they declare as follows. None of them were aware of the Minister's intention to bring any complaint against the Resident personally, nor do they know that he has made any. They never did, nor did any one of them, encourage the Minister to make any clandestine communications to our Government. The letter which was forwarded by Mr. William Palmer was certainly not written at his instigation, or that of any one of them: on the contrary, Mr. William Palmer, with whom alone any thing passed on the subject, so far from encouraging the Minister to send it, objected to be the channel of transmission when he was first solicited, on the ground of the irregularity of the proceeding, and recommended the Minister to transmit it through the Resident or the post. Mr. William Palmer was induced to forward it afterwards, from being called upon individually to do so as the servant of the Nizam's Government. The letter was sent to him sealed, and not read by him: he was given to understand that it contained copies of the Minister's correspondence with Lieutenant Barnett.

8. There are some positive assertions in this statement which I have not the means of disproving; but there are enough of omissions, concealment, improbabilities, and other invalidating circumstances, to warrant doubt and discredit.

9. We are called on to believe, that notwithstanding the confidential consultations acknowledged continually to have taken place, Messrs. William Palmer and Co. knew nothing of the Minister's motives for the extraordinary measures to which he had recourse; nothing of the contents of his representation; and that they became accessary to it, in perfect ignorance of its object. To believe all this, I acknowledge, requires more credulity than I have at my command. If they do not mean this, their answer is evasive; for they do not state to what extent they were privy to the Minister's design.

10. It would seem from their statement, that the Minister, who continually consulted them on the best means of shaking off our interposition, never spoke to them respecting the danger to which he considered himself exposed, by the alleged want of countenance on the part of the Resident. This formed so prominent a part of his representation to his Excellency the Governor-General, that I find it impossible to suppose that he did not enter on the subject with those whom he made the agents of transmitting that representation.

11. According to their statement, they neither instigated, nor encouraged, nor approved the measure, but thought it clandestine and irregular. They mean it,

it, of course, to be inferred, that they had themselves no motive of personal hostility against the Resident in acceding to it. It would follow, that they must have lent themselves to the proceeding, knowing it to be an improper one on their part, blindly and innocuously, without motive, or design, or object, or concert, or connivance, or knowledge. This is utterly incredible.

12. The pretence is set up of Mr. William Palmer's being a servant of the Nizam's Government, and of his having acted on that occasion in that capacity. Against this cloak I must always enter my protest. Mr. William Palmer is not a servant of the Nizam's Government. He may, indeed, be considered as a hired partisan of Rajah Chundoo Loll, and is enormously over-paid, at the expense of the Nizam's Government, for his supposed services in that capacity: but if by being a servant is meant having employment or performing service, he is no servant of the Nizam's Government, for he has neither employment nor office of any kind, real or nominal, under the Nizam's Government, neither does he perform any service. His time is wholly devoted to his own gain or his own pleasure, and both the one and the other, in different degrees, are at the expense of the Nizam's Government. This pretension is disgusting and devoid of truth; and I can never permit it to be advanced on his part, without scouting it as it deserves.

13. If Mr. William Palmer were stripped of the British influence which he enjoys, and to which he owes every thing; if he were really reduced to the situation of a subject of the Nizam's Government, he would then be eager to throw off the cloak which he has assumed, for the purpose of disguising the real character of the transaction in which he and Sir William Rumbold engaged; the unworthiness of which is the more manifest, from the pains taken by the actors in that plot to conceal or cover their respective performances.

14. But I am forced, on the present occasion, to deprive Messrs. William Palmer and Co. even of this poor subterfuge. Their statement means, I presume, that Mr. William Palmer acted alone in that proceeding, and without the co-operation of his colleagues. I happen to know, that Sir William Rumbold took at least as active a part as Mr. William Palmer in forwarding the Minister's letters to Calcutta.

15. The assertion in Messrs. William Palmer and Co.'s letter, that Mr. William Palmer recommended the Minister to transmit his letters through the Resident or the post, reminds me of something that passed between the Minister and me, when he was explaining his own share in that transaction. He talked of having asked Messrs. William Palmer and Co. to send his letters by their post. On my telling him that they had no separate post, that all letters went by the Government post, and that on paying postage he might any day send his letters by the post, and that they would be received without inquiry, he observed, that had he been aware that his letters could have gone by the Residency post, and that Messrs. William Palmer and Co. had no separate post, he would not have employed them. The latter part of this was probably affectation: but if any part was true, it was inconsistent with his having been previously advised to send his letters by the ordinary post. I have other reasons for thinking that this alleged advice about the post is a posterior fancy on the part of Messrs. William Palmer and Co., independently of which, according to my notion of their views in the transmission of the Minister's letters, the measure to be accomplished would have lost for them one of its most important effects, if it had not appeared to him to be the result of their influence, and obtained by their mediation.

16. There is a material omission in the reply of Messrs. William Palmer and Co., which strikes me the more forcibly, inasmuch as I have always conceived it most probable, that the instigation and encouragement which they have given the Minister, as to the measure which he adopted, have been conveyed through the indirect channel of native agents. Messrs. William Palmer and Co. are called on to declare, whether they in any way, directly or indirectly, encouraged the Minister to bring forward his complaints, or to what extent they were privy to his design, or apprized of the contents of the letters to the Governor-General and Private Secretary. In their reply, they take no notice whatever of possible indirect encouragement, through the medium of the native emissaries who are

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actively employed between them and the Minister, and through whom, and by whom, I believe, much to be said, which Messrs. William Palmer and Co. would not like to be detected in having said directly. In like manner, they omit to state to what extent they were privy to his design, or apprized of the contents of his letters, but give an answer which, if it be not equivocal, must mean that they knew nothing of the contents of the Minister's letters, except that they contained copies of his correspondence with Lieutenant Barnett, and nothing whatever of his design in transmitting those letters: a degree of ignorance which, on the face of the affair, as well as from consideration of acknowledged previous consultations, I confidently pronounce to be impossible.

17. The name of the native partner of the firm is not subscribed to this letter from Messrs. William Palmer and Co. I do not, however, attach much importance to this omission; for though it is possible that he may have been instrumental in carrying on the political negotiations of the house, he is not one of those whom I understand to be their most active agents in this branch of their business.

18. The name of another partner is subscribed to their letter, whom I acquit of having had any concern in the transmission of the Minister's letters to Calcutta. Mr. Lamb was absent on a journey and sea voyage to Bombay and Madras at the time of that transaction, and I believe was entirely ignorant of it till his return. For the same reason, he is incompetent to make any declaration as to the part which Sir William Rumbold and Mr. William Palmer did, or did not take in that proceeding.

19. His Excellency the Governor-General in Council will conclude from the preceding observations, that my conviction of the Minister's having been really instigated or encouraged in his proceeding, directly or indirectly, by Messrs. William Palmer and Co., remains unshaken. Much of what they say in their reply may be literally true, without deducting from the grounds of that conviction. For instance, the Minister's letter may have been sent to Mr. William Palmer sealed, and not read by him; but it does not follow that this semblance of innocence was not preconcerted, with a view to this very assertion: it does not follow, that the substance of the letter may not have been previously known to Mr. William Palmer, or even dictated by him. Again, they were not aware of the Minister's intention to bring any complaint against the Resident personally, nor do they know that he has made any. Perhaps they do not call his representation a complaint against the Resident personally. Again, the letter which was forwarded by Mr. William Palmer was certainly not written at his instigation, or that of any one of them; but it may have been written at the instigation of one of his or their emissaries, with his or their knowledge. Again, Mr. William Palmer objected to be the channel of transmission, and recommended the Minister to transmit the letter through the Resident or the post: all this may have taken place literally as described, *pro forma*, and yet the Minister may have been indirectly instigated to press the office on that gentleman. I should have been more staggered by the reply of Messrs. William Palmer and Co., if they had said in the plain language of the question put to them, "we did not "in any way, jointly or individually, directly or indirectly, encourage the Minister "to bring forward his complaint against the Resident;" and then proceeded to explain intelligibly, to what extent they were privy to his design, or apprized of the contents of his letters. But against all protestations of entire ignorance, unconsciousness, and dissuasion, are the undeniable circumstances of previous consultation, clandestine co-operation, connivance, and complotting secrecy; and against the asserted individuality of Mr. William Palmer in the transaction, is the fact that Sir William Rumbold was the person who actually forwarded the letters to Calcutta.

20. To suppose the possibility of such equivocation as Messrs. William Palmer and Co. must have used in their letter, if they were jointly or individually in any degree, directly or indirectly, privy to the contents or design of the Minister's representation, is to suppose something very bad and shocking, and almost incredible: but, under the circumstances of the case, the total ignorance which they affect seems utterly impossible; and they cannot derive any credit from their past conduct, for artfulness and concealment have been the means

by

by which they have obtained the profits which they enjoy, and the affidavit to which Mr. William Palmer and Sir William Rumbold have before sworn, leaves nothing unsaid that can surpass it on the score of equivocation. It is well known, that Mr. William Palmer avows unblushingly, that in money matters he has rather the ideas of a native of India than those of an European. If the same be supposed with respect to truth, no equivocation on his part would be surprising.

21. It is with disgust that I find myself engaged in giving utterance to such sentiments; but the course which Messrs. William Palmer and Co. have pursued will not admit of further delicacy or reserve. They commenced their career under the patronage of the Resident, in the time of my predecessor; they afterwards, in the intoxication of success, kicked down the ladder by which they had mounted, presuming on a higher support. This presumption they have carried to an unheard-of pitch; and to comprehend it in its full extent, it is necessary to breathe the atmosphere which is tainted by their corrupt and unnatural influence. Finding a simple Resident in their way, whom they could not subdue to a condition of base subserviency to their interests, who would not consent to be either their tool or their dupe, they determined to eject him or trample him down; and for this purpose excited, or took advantage of, the selfish fears of the Nizam's Minister for the preservation of his place, and of the dissatisfaction felt by him at the interposition of a successful check to his extortions, instigating or encouraging him to that unnecessary, unprovoked, clandestine, bold, and most extraordinary proceeding, which I am sure, from his character, he could never have ventured on, without strong instigation or encouragement from some party, on whose influence and power he placed reliance.

22. Strong as my conviction on this subject, founded on local and circumstantial evidence, which it is impossible to describe with full effect, I have neither the expectation nor the wish that any undue weight should be allowed to my opinion. While I claim the liberty, on my own part, of retaining my conviction, and conceive it to be a duty to express it, I am content that Messrs. William Palmer and Co. should have the benefit of acquittal, on all points which are not self-evident or established by positive testimony.

23. I am willing that what they have done shall not be deemed culpable, or that it shall be agreed that they have not done it: and still either conclusion will not affect the grounds of any measure that I have ever proposed; for none of my propositions are founded on any consideration of their conduct, nor are they directed, in any degree, to their punishment or injury.

24. My views have been solely applied to the consideration of what is best for the united interests of the British Government and the Nizam's State, and it is with unfeigned concern that I have seen the attention of Government latterly so much occupied with inquiry into the conduct of Messrs. William Palmer and Co. The part which I have performed in this business has been involuntary and forced upon me. My execution of the orders which I had received for the termination of the Aurungabad arrangement was made a matter of accusation against me, and it became necessary to defend myself against misrepresentation. My unavoidable mention of the existence of a debt at twenty-five per cent. interest, was received with implied reproach, as if it had been an unnecessary obtrusion; an explanation was demanded, which entailed further disclosures. The combined attack of the Minister and Messrs. William Palmer and Co. imposed on me the necessity of a full display of the connexion existing between them, and your subsequent inquiries have extorted fresh exposures.

25. It will be found, on reference to the past, that in April 1821 I submitted a plan for the reduction of the interest of the Nizam's debt, accompanied by a proposal for a munificent compensation to Messrs. William Palmer and Co., and of course without any inculpation of those gentlemen. Had it accorded with the views of Government to accede to that plan, the unpleasant discussions which have since occurred would, I believe, have been avoided; and to escape from the necessity of disagreeable disclosures was, I acknowledge, one of the minor objects of that plan. It will be found that I did not receive any

answer

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answer to my report on that subject; and that, from April 1821 to June 1822, I did not once obtrude the affairs of that firm on the notice of Government. With the affairs of Messrs. William Palmer and Co., indeed, I do not conceive that I have any concern. They are traders in pursuit of gain by means of their own contriving, fair or foul, according to their own judgments, whether straight or crooked. They have properly no concern with public affairs, nor have public affairs any concern with them. My business is with the affairs of the Nizam's Government. It will be found that, in June 1822, in reporting on the state of the Nizam's finances, I was compelled to notice the increase of debt, and, as in duty bound, the discovery of a new debt to Messrs. William Palmer and Co., till then unknown, at a higher rate of interest than any Government can bear. From that, and from the execution of the orders of Government regarding the Aurungabad arrangement, have arisen all subsequent discussions respecting Messrs. William Palmer and Co. Inquiry into their affairs will probably be unsatisfactory and interminable; and for my own part, without presuming to offer such a sentiment for adoption, I shall be heartily glad when further inquiry respecting these proceedings shall be deemed unnecessary, and when all questions respecting the Nizam's debts, and the connexion of that firm with the Nizam's Minister, shall be decided on general principles.

26. The first question seems to be, whether, in the embarrassed state of the Nizam's finances, without probable hope of extrication by internal resources, the British Government will lend the aid of its credit to assist its ally in reducing the interest of his debt? If this can be done without risk or inconvenience, it will be friendly; if attended with both or either, it will be generous, in proportion as both or either may be considerable. This question is nearly decided in the affirmative, and little more than the execution of the intention is now unaccomplished.

27. The next question seems to me to be, Whether Messrs. William Palmer and Co. should exclusively have an unrestrained intercourse with the Nizam's Government, as at present, or be placed on a footing with all other British subjects in relation to the Nizam's Government and the British Resident? This question also has been decided by his Excellency the Governor-General in Council; but the execution of the decision is for the present suspended. This appears to me to be of such importance, that if any circumstances should still delay the discharge of the debt, I would venture to recommend that, nevertheless, his Lordship's decision on the separate point be carried into effect. There is no good reason why Messrs. William Palmer and Co. should not communicate with the Nizam's Government through the Resident. In all just demands, they would derive support from his mediation; and if they have any of an illicit nature, that would be an additional reason for interposing his authority, to prevent an improper exercise of their influence. If they should ever have cause to complain of the Resident's neglect, the justice of the British Government would always be open to their representation.

28. All other questions respecting Messrs. William Palmer and Co. are of minor consequence compared with the two above-mentioned, and might be settled, I should hope, without difficulty. With regard to their existing demands, I should be disposed, for the sake of a final adjustment and separation, to overlook past transactions, and to admit all claims that are acknowledged by the Nizam's Government, deducting perhaps the interest charged on allowances to members of the firm. Whatever may not be admitted should be decidedly rejected; for to allow any account to run on with the Nizam's Government, would be, in a great measure, to defeat the purpose of the projected settlement.

I have, &c.

Hyderabad,
6th December 1822.

(Signed) C. T. METCALFE,
Resident.

Enclosure in Resident's Letter.

To Messrs. William Palmer and Co.

Gentlemen:

I have received the commands of his Excellency the Most Noble the Governor-General in Council to call on you, jointly and individually, to declare whether

whether you in any way, directly or indirectly, encouraged the Nizam's Minister, Rajah Chundoo Loll, to bring forward his complaints against me, transmitted through Mr. William Palmer, or to what extent you were privy to his design, or apprized of the contents of his letters to the Governor-General and the private Secretary, or of his notes to Lieutenant Barnett, connected with that proceeding.

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Enclosure in Resident's Letter.

I have, &c.

Hyderabad,
30th November 1822.

(Signed) C. T. METCALFE,
Resident.

To C. T. Metcalfe, Esq., Resident, &c. &c. &c.

Enclosure in Resident's Letter.

Sir:

We have the honour to acknowledge the receipt of your letter of the 30th November, which we received yesterday. None of us were aware of the Minister's intention to bring any complaint against the Resident personally, nor do we know that he has made any. We never did, nor did any one of us, encourage the Rajah to make any clandestine communications to our Government. The letter which was forwarded by Mr. William Palmer was certainly not written at his instigation, or that of any one of us: on the contrary, Mr. William Palmer, with whom alone any thing passed on the subject, so far from encouraging the Rajah to send it, objected to be the channel of transmission, when he was first solicited, on the ground of the irregularity of the proceeding, and recommended the Minister to transmit it through the Resident or the post. Mr. William Palmer was induced to forward it afterwards, from being called upon individually to do so, as the servant of this Government. The letter was sent to him sealed, and not read by him. He was given to understand that it contained copies of the Minister's correspondence with Lieutenant Barnett.

With regard to his notes to Lieutenant Barnett, it is necessary we should state that the Minister had constantly made the interference of our Government in the details of his, an excuse for not keeping his engagements with us, and had expressed considerable annoyance upon the subject. On his stating his intention to take some measure to endeavour to relieve himself from the embarrassment he described himself as subjected to by our Government, we recommended, what we have invariably done, an unreserved communication with the Resident, as the most correct and obvious course of proceeding. The Minister afterwards communicated to us the contents of his letter to Lieutenant Barnett, which related, in a great degree, to our affairs. The knowledge of his intention of paying us was very important to us, and we were very anxious about the fate of his request, as the receipt of the money would have been of great service to us.

We have, &c.

Hyderabad,
2d December 1822.

(Signed) W. PALMER,
W. RUMBOLD,
G. LAMB.

POLITICAL LETTER FROM BENGAL,

Dated 25th January 1823.

Bengal Political Letter, 25 Jan. 1823.

1. On the 20th ultimo we had the honour to submit a narrative of our proceedings, relative to the pecuniary dealings between the Government of his Highness the Nizam and the house of William Palmer and Co.; and, on the 28th of that month, we forwarded copies of some additional documents on the same subject, for the purpose of placing your Honourable Court in possession of the fullest information on the points submitted for your consideration, and enabling you to form a judgment on the merits of the case.

2. With the same view, we have now the honour to submit copies of some further reports* received from the Resident, in reply to our instructions of the 13th,

* From the Resident at Hyderabad, 16th, 21st, 26th, and 27th December 1822; To ditto, 15th January 1823; From ditto, 20th and 24th December 1822; To ditto, 15th January 1823.

Bengal Political Letter, 25 Jan. 1823.

13th, 19th, 23d, and 30th November last, and of the instructions which we have issued to Mr. Metcalfe, in answer to his despatches. A Minute from Mr. Harington, expressing the grounds of his concurrence in those instructions, is also forwarded, for the information of your Honourable Court. We trust the tenor of our orders to Mr. Metcalfe will be honoured with the approbation of your Honourable Court.

3. In the course of a few months, we hope to be enabled to report to your Honourable Court the result of our inquiries into the various matters discussed in the instructions last referred to, as well as the satisfactory settlement of the just demands against the Government of his Highness, and the consequent relief of that Government from the unsupportable pressure of its public debts. If, however, we receive in the interim any additional information of importance, throwing light on the subjects already submitted for the judgment of your Honourable Court, we will not fail to submit it without delay.

We have, &c.

Fort-William,
25th January 1823.

(Signed) J. Adam,
Edwd. Paget,
John Fendall,
J. H. Harington.

Enclosures in Bengal Political Letter, 25 Jan. 1823.

(Enclosure No. 1.)

To George Swinton, Esq., Secretary to Government, Fort-William.

Sir:

Letter from Resident at Hyderabad.

I have received from Messrs. William Palmer and Co. a letter dated the 7th instant, accompanied by Persian enclosures without date. A copy of the former, and copies and translations of the latter, are herewith transmitted. The professed object of this communication is to remove obscurity; but its real effect would naturally be to increase it. I believe, however, that it may be in my power to throw some elucidation on the subject.

2. There was a balance in the old Aurungabad account between the Nizam's Government and Messrs. William Palmer and Co. of thirteen lacs and more in favour of the latter, which had accumulated before the Aurungabad arrangement received the sanction of the Governor-General in Council; it was, therefore, very desirable for Messrs. William Palmer and Co. to get that large balance sanctioned. The chief object of the pretended sixty-lac loan seems to have been to obtain sanction for old balances: accordingly, the old unsanctioned Aurungabad account was closed, and the balance carried to the sixty-lac loan.

3. Rajah Chundoo Loll is my authority for this fact. He has steadily, repeatedly, and on all occasions asserted it. I do not quote him as good authority; but, in this instance, he can have no motive for a false statement. His assertion also agrees with the accounts which I have seen more nearly than that of Messrs. William Palmer and Co., who moreover have an interest in misrepresentation. Reason, too, is on the Minister's side. There is an obvious reason why the unsanctioned balance of the old Aurungabad account should have been carried to the sixty-lac loan, and none whatever for making it the foundation of a new Hyderabad account, as Messrs. William Palmer and Co. now pretend; for it might just as well have remained in the Aurungabad account. There is, indeed, an obvious objection to its being made the commencement of a new unsanctioned account.

4. The purpose of the transfer to the sixty-lac loan was answered at the time: but now the twenty-five per cent. Hyderabad account being discovered, and Messrs. William Palmer and Co. being alarmed lest the debt contracted in that account should not be sanctioned, it is expedient to set up a new pretence, in order to get that debt admitted; therefore the old unsanctioned balance of the old closed Aurungabad account is to be extricated from the mass of the sixty-lac loan, in which it had become incorporated, and interest being heaped thereon at the rate of twenty-five per cent., the aggregate is to be deducted from the sixty-lac loan, and added to the present balance of the late Aurungabad

Aurungabad account. Then, in order to fill up the chasm, thus caused in the sixty-lac loan, an equal sum must be swept over from the Hyderabad twenty-five per cent. account, reducing the balance in the latter to a sum (Rupees 4,88,440. 3. 3, according to Messrs. William Palmer and Co.'s account, which is, however, inaccurate) nearly equal with that which is described in your despatch of 13th September as perhaps admissible.

5. This, the Minister observes, is a very fine way of making out an account; but it is not the true account. He however professes to be indifferent as to the alteration of the mode, provided that the result be the same; which, consistently with the process above described, it may be.

6. I have described this process, from a conviction that it is the one which must take place, in order to bring about the statement now presented by Messrs. William Palmer and Co.; but even admitting that the former accounts and the Minister's declarations be utterly false, and giving implicit credit to the bare and unsupported assertion of Messrs. William Palmer and Co., that the old Aurungabad balance formed the basis of the twenty-five per cent. Hyderabad account, still their new statement now made out would be scarcely more warrantable. In the first place, the old balance of the Aurungabad account, if not included in the sixty-lac loan, has never yet been sanctioned, and is therefore still an unsanctioned demand. Secondly, in order to accomplish their present object, they must drag out this old balance, with interest at twenty-five per cent., from the Hyderabad account. They give no credit for intermediate receipts, but leave all the receipts in that account, and even the amount of assignments in hand, to defray those charges which they suppose would not be allowed, and make out a balance which, from its connexion with the name of the Aurungabad account, they imagine will be admitted; reducing, by this operation, the remaining balance of the twenty-five per cent. Hyderabad account seemingly, but incorrectly, to a sum corresponding nearly, as before stated, with the amount of the items which have been pronounced by his Excellency the Governor-General in Council to be of a public nature.

7. This is the most favourable view of the case, and derived from their own shewing. For reasons above stated, I do not believe it to be the true one: but even if it were, I am of opinion that their attempt so to alter and transform their accounts is nevertheless entirely unjustifiable, and must render it difficult to give credit to any account received from them, which they might have any interest in falsifying.

8. I now proceed to offer some remarks on the account itself which they have furnished; and in it will be found further proofs of their inattention to accuracy, and of designed concealment and equivocation.

9. They state the total of debt due to them from the Nizam's Government at Rupees 86,45,378. 2. 3. This is incorrect. According to the details of their own account, the balance should be Rupees 95,95,696. 6. 0. They have reduced this to the former sum, by deducting Rupees 9,50,318. 3. 9, the amount of assignments said to be in course of payment. It would be right to deduct these, if they really gave credit in account for such orders when assigned; but they will be charging twenty-five or eighteen per cent., according to the account to which they may belong, on all of these assignments that may not have been realized. If, therefore, they be previously deducted, the pretended balance must be a false one. The only true account would be to give credit, *bonâ fide*, for such portion of these assignments as may actually have been realized, if any have been: but the plan adopted, of putting down first one balance, then deductions, for which after all credit is not to be given in account, and then an inferior balance, which is a fictitious one, can never produce a true account.

10. The same remarks apply to the several totals of the detailed items in the accompanying account. The balance of the sixty lac loan account should be Rupees 57,68,168. 2. 9, instead of Rupees 50,65,421. 7. 6. The balance of the twenty-five per cent. Hyderabad account should be Rupees 28,10,963. 12. 9, instead of Rupees 25,37,392. 4. 3.

11. The alleged balance of Rupees 10,16,564. 6. 6. from the late Aurungabad account is not yet admitted by the Minister, and is not made out by the accounts

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Letter from Resident at Hyderabad.

accounts as yet received. Messrs. William Palmer and Co. will, I dare say, be able to persuade him that it is right; and if it be conditionally admitted pending the receipt of the necessary documents, their demands against the State will stand thus:

Sixty-lac loan account, eighteen per cent....	Rupees	57,68,168	2	9
Hyderabad twenty-five per cent. account ...		28,10,963	12	9
Aurungabad twenty-five per cent. account...		10,16,564	6	6
Total.....	Rupees	95,95,696	6	0

Or according to the legerdemain of Messrs. William Palmer and Co., thus:

Sixty-lac loan account.....	Rupees	57,68,168	2	9
Hyderabad account.....		7,36,011	11	9
Aurungabad account		30,91,516	7	6
Total	Rupees	95,95,696	6	0

Truly did those gentlemen say that there would be no difference in the end either way: and no wonder, since their end was to be gained by giving to the same sums of debt new names and forms more suitable to their present purpose. In fact, the change is merely nominal. The true account is as it was; but Messrs. William Palmer and Co. chuse to give it a shape which they think will make it less objectionable, and save them from the dreaded resolution of Government to disallow their charges in the concealed twenty-five per cent. account.

12. It is singularly remarkable, that every time the debt of the Nizam's Government to Messrs. William Palmer and Co. comes into notice, there is an increase, notwithstanding the large sums paid to them. When last I addressed you on the subject, it was estimated at ninety-three or ninety-four lacs: it now appears to be close upon ninety-six. Both the Minister and Messrs. William Palmer and Co. must be sensible of the aukwardness of this appearance, as regarding the Nizam's affairs, and therefore they combine in a nominal deduction of the amount of assignments, which without diminishing the demand, makes it appear less than it really is. Before, as now, there was a set-off of assignments in hand against the balance; but until these assignments be realized, interest is running on and the debt thereby increasing. The amount of assignments reported in the account herewith transmitted is Rupees 9,50,318. 3. 9.

13. It will be observed, that the account herein furnished by Messrs William Palmer and Co. is by no means such a one as can be received as satisfactory, under any doubtful circumstance. It is merely a statement calculated to serve a particular purpose, and it would not, perhaps, in any degree bear the test of a strict scrutiny. They have, as I believe, and consider proved, taken an old balance out of the eighteen per cent. account, to which it had been transferred, and have charged on it twenty-five per cent. interest from the date of the transfer. I infer this from that being the rate of interest of the Aurungabad account, and from another circumstance to which I shall refer below; though it will be remarked, that in the account there is no mention of the rate of interest. To bring the two forms of accounts even after such a procedure, supposing it to be real, many charges must be sunk and all the accounts falsified; for otherwise, that increase of the interest on a part would necessarily create an increase of the total. But the whole being fictitious, no change is produced in the result.

14. The circumstance above alluded to is this. Messrs. William Palmer and Co. charge interest and commission on the old balance of the Aurungabad account, as follows:

Old balance, &c.	Rupees	13,18,669	8	3
Interest, commission, &c.....		7,56,242	8	9
Total of old balance,.....	Rupees	20,74,952	1	0

What

What charges may be included in the *et cætera* (woghyra) I do not know: but after what has passed, it is not unnatural to suspect something which it is designed to conceal. The rates of interest and commission are not mentioned, but I believe that I may venture to assign the rates of both. A running commission on an old balance seems an extraordinary thing, and requires some explanation. I had formerly understood that Messrs. William Palmer and Co. charged a commission in some way in their Aurungabad account; but this was always denied by the Minister, who maintained that there was no other charge than the two per cent. monthly interest, and his statement has been confirmed by the detailed accounts as yet exhibited. I understand that Messrs. William Palmer and Co. pretend, that the interest on the Aurungabad account is one and a half per cent. per mensem, and the commission one half per cent. per mensem. A monthly commission on past advances sounds very like interest, and one-half added to one and a half clearly makes two. This interest and commission, therefore, might more correctly be included under the one head of interest; and it may be remarked, that neither in their note to the Minister, nor in his reply, is there any mention of commission; it only occurs in a single place in the account, and is passed over by him in silence. Having no experience in mercantile affairs, I do not know whether a commission running on and accumulating in the way of interest, be an ordinary charge or not; but to me it appears something quite new and strange, and seems only meant to answer Messrs. William Palmer and Co.'s usual purposes of concealment and deception. If they charge commission, not, as I have assumed, in part of their twenty-five per cent. interest, but in addition thereto; the matter is so much the worse for the Nizam's Government.

15. The reply of the Minister to Messrs. William Palmer and Co.'s proposal for altering the accounts is forwarded, I conclude, by those gentlemen, as a voucher of his assent. This reply and their written proposal have been got up for the occasion, and have been the result of much verbal discussion between the parties directly, and through native agents, of which from time to time I received notice from the Minister. He always declared that the account now brought forward by Messrs. William Palmer and Co. was not the true one; but that he did not care in what manner they might alter the account, provided that the result did not shew an increase of debt. His reply, you will observe, is artfully contrived to avoid giving offence to them, and to shew an apparent assent to their proposal, without departing from his own assertions, and is in parts ambiguous, doubtless from design. The detailed accounts which he had previously furnished, and his repeated declarations on the subject, prevented him from entering more deeply into their scheme. Those accounts and declarations have given me a clue to the meaning of his note, which perhaps enables me to understand it better than Messrs. William Palmer and Co. Those gentlemen have wilfully blinded themselves throughout their proceedings, by supposing that there were no means of judging of their conduct, except such as they might choose to furnish of themselves. They have expected that every statement or assertion on their part, was to be received without examination or inquiry; and have, consequently, sunk deeper and deeper in the quagmire of their own contriving.

16. I have been led into these remarks, because I cannot consent to be made the channel of fallacious and deceitful representations, without endeavouring to affix to them their true character, and not by any desire to deprive Messrs. William Palmer and Co. of any part of their profits. My notion has always been, that what the Nizam's Government allows as a fair charge should be paid, and that our interference should be exercised chiefly to prevent future mischief. One question, as submitted on a former occasion, seems to lie between the British Government and the Nizam's State, as to whether the former will assist the latter with its credit or its means: another between the Nizam's Government and its creditors, which must be decided according to good faith; and a third rests solely with the British Government, as to the expediency of continuing or terminating that connexion between the Nizam's Minister and Messrs. William Palmer and Co., which seems hitherto to have

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operated so injuriously and ruinously for his Highness's finances, and so discreditably for the British name and character.

I have, &c.

Hyderabad, 16th December 1822. (Signed) C. T. METCALFE, Resident.

Enclosure in Resident's Letter.

To C. T. Metcalfe, Esq. Resident, &c. &c. &c.

Sir:

Adverting to our letter of the 14th October, and wishing to remove any obscurity which may appear in the statements of our accounts, from the accounts of the Minister being kept in a different form to ours, we addressed the Rajah on the subject, and we have now the honour to transmit copies of ourletter and his answer, which as exhibiting the account in detail, we trust will render it clear and satisfactory, and we hope you will do us the kindness to transmit them to Government for their satisfaction.

Hyderabad, 7th December 1822. We have, &c. (Signed) W. PALMER AND Co.

TRANSLATION.—*Copy of a Letter written by Mr. William Palmer to Rajah Chundoo Loll Maharajah Buhadoor.*

"As possibly some doubt may arise at the Presidency in consequence of the different form of our accounts, we having inserted Rupees 13,18,669. 8. 3, the old balance of Khojesteh Boonead (Aurungabad), Rupees 7,56,282. 8. 9. interest on the same, and Rupees 10,16,564. 6. 3. the present balance, making a total, including principal and interest, of Rupees 30,91,516. 7. 6.

"If that kind friend would also include the old balance and the interest thereof in the Aurungabad account, the total would be the same, and there would no longer exist any difference in the form of the account. If then similarly to our account, the whole of which is exhibited underneath, the old principal and interest be incorporated with the present balance, all dispute on the point would be precluded."

Memorandum of Balance of Account with the Kottee.

Total..... Rupees 86,45,378 2 3

	R.	A.	P.			
Viz. Balance of sixty lac account.....	50,65,421	7	6			
Do. of Hyderabad account.....	4,88,440	3	3			
Do. of Aurungabad account....	30,91,516	7	6	[The Maharajah will receive credit for whatever may have been realized in the Aurungabad account.]		
Balance of sixty lac account at the end of Shuwaul 1237, which has received the signature of the Maharajah	57,68,168	2	9			
Amount of tunkhas, the collections of which are now going on	7,02,746	11	3	R.	A.	P.
				50,65,421	7	6
Balance of Hyderabad account at the end of Shuwaul 1237 Hijree, which has been signed by the Maharajah.....	28,10,963	12	9			
Amount of tunkhas, the collections of which are now going on	2,47,571	8	6			
	25,63,392	4	3			
Old balance of Aurungabad account... 13,18,669 8						
Interest, commission (Aruth), &c... 7,56,282 8 9						
	20,74,952	1	0			
				4,88,440	3	3
Account of Aurungabad Kottee..... Rupees				30,91,516	7	6

Viz.

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Viz. Balance of old principal and interest ..... Rupees	20,74,952	1	0
Present balance to end of Zehij 1237 Hijree, accounts of which have not been settled or signed	10,16,564	6	1

Enclosure in Resident's Letter.

TRANSLATION.—*Copy of a Letter from the Rajah Saheb, Rajah Chundoo Loll Maharajah Buhadoor.*

"I have had the honour of receiving your note, setting forth" [here follows a repetition of Mr. William Palmer's letter to the Rajah].

"The present balance of the Aurungabad account, including principal and interest, as well as the city account, the whole of which amounted to about eighty-five lacs of Rupees, were submitted to the Resident, as being the estimated sum due to the Kottee. Although the form of the accounts be different, yet on being compared they both agree. On several occasions of inquiry, the aforesaid gentleman has been told that the gentlemen of the Kottee have incorporated seven lacs and some thousand rupees, the interest of the old Aurungabad balance and 13 lacs the principal, with the present debt of nine lacs of rupees, making a total of thirty lacs; and that doubtless, including principal and interest, the balance may amount to about that sum. All items are included in the above mentioned sum."

(Enclosure No. 2.)

To G. Swinton, Esq., Secretary to Government, Fort-William.

Letter from Resident at Hyderabad

Sir:

1. I have the honour to transmit copies of a letter from me to Messrs. William Palmer and Co., of their reply, and of a further letter from me.

2. The letter of Messrs. William Palmer and Co. containing a request for the consideration of his Excellency the Governor-General in Council, I should be disposed to forward without comment, but it is accompanied by representations on which I cannot refrain from remarking. At the same time, I have no intention or wish that my remarks should have the slightest effect on the decision of Government as to their request.

3. Whenever it suits their purpose, Messrs. William Palmer and Co. write very glibly on the delicacy of commercial credit. Where was this sensitiveness, when they erected themselves into a political faction, in hostility to the British Representative? If what they say regarding the effect on their credit of discussions be true, how rashly they acted for themselves, how dishonestly towards their constituents, when they engaged in intrigues against the Resident!

4. This apparent inconsistency is solved by a reference to the nature of their credit. Their credit is not chiefly commercial, it is political credit: it is the credit of influence; and the part which they have played, though dangerous to their small portion of commercial credit, was directed to the extension of their political credit, through supposed paramount influence.

5. I know not from what cause the difficulties of which they complain may proceed: but supposing them to exist, they may be attributed to their own rashness, in not making arrangements for keeping a sufficient supply of cash at command. The slightest run upon them would compel them to stop payment. They could not expect aid from the native money-market of Hyderabad in time of need; and where commercial credit would alone avail them, I mean in the European market of the three Presidencies, they do not possess it in any sufficient degree.

6. I know of no run against them: I know of no alarm regarding them. Their difficulties are in the ordinary course of their business, from the want of prudent arrangements, and the original want of pure commercial credit. Of those difficulties I know nothing except from themselves, who are certainly the best

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best judges of their extent; but I do not feel that their statements can be implicitly credited when they have any object to gain.

I have, &c.

Hyderabad, 21st December 1822. (Signed) C. T. METCALFE, Resident.

Enclosure in Resident's Letter.

To Messrs. William Palmer and Co., &c. &c. &c.

Gentlemen:

I have received the command of his Excellency the Most Noble the Governor-General in Council, to call on you to furnish a complete account-current of your pecuniary dealings with the Government of his Highness the Nizam, exhibiting every item debited or credited on either side, commencing from the timewhen your house, under any denomination, first had dealings with his Highness's Government, or at least going so far back as to include all charges now brought forward without any unexplained balance.

2. I am further directed to call for a similar detailed account of the loans made to the several officers of the Nizam's Government, to which the guarantee of his Highness's Minister is considered to be in any degree pledged.

I have, &c.

Hyderabad, 13th December 1822. (Signed) C. T. METCALFE, Resident.

Enclosure in Resident's Letter.

To C. T. Metcalfe, Esq., Resident, &c. &c. &c.

Sir:

We have the honour to acknowledge the receipt of your letter of 13th December, calling upon us to furnish a complete account-current of our pecuniary dealings with his Highness the Nizam, and for a similar detailed account of the loans made to the several officers of the Nizam's Government, to which the guarantee of the Minister is considered to be in any degree pledged.

We are anxious to pay implicit obedience, at all times, to the orders of Government; but feeling that we could not do so, in the present instance, without a breach of commercial confidence, we have thought it our duty to obtain the sanction of the Minister, and we shall proceed to make up the accounts with as little delay as possible. But as these, from their magnitude, cannot be completed in less than one or two months, we request that you will submit to the consideration of Government, that we apprehend the very worst consequences from the following causes, if the Government should not be pleased to cancel their order on a reconsideration of the circumstances.

We fear and know, from our recent experience, that a discussion regarding us has a direct tendency to lessen our credit; and a further diminution of it would be severely felt by us, from the want of disposable assets to meet increased demands.

The discussions now pending have already excited alarm in this market, embarrassing to our operations, and we have, in consequence, not been able to render the prompt compliances which we have been in the habit of doing to the demands of our constituents; and we have every reason to fear, that the knowledge of our posture gaining additional publicity, even from this very circumstance, may tend to an increase of alarm, and consequently of demands upon us, which we may not be able to meet with a deteriorated credit in this market.

We also fear that a measure of this sort, so foreign to the spirit of commercial transactions, may occasion reluctance and objections to persons to have dealings with us, from the impression that their private accounts are subject to public exposure.

We feel confidence in submitting with deference these observations to Government, from the circumstance that the Aurungabad accounts, which were furnished to the Resident, Mr. Russell, by us, on an order from Government, were returned to us uninvestigated, on a reconsideration of the matter had in Council on our representation.

We

We at the same time beg leave to inform you, that the accounts-current shall be immediately put in progress, that no delay may occur to their transmission to you.

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We have, &c.

Hyderabad, 17th December 1822.

(Signed) W. PALMER AND Co.

To Messrs. W. Palmer and Co., &c. &c. &c.

Enclosure in Resident's Letter.

Gentlemen:

1. Your letter of the 17th instant, in reply to the call for detailed accounts, shall be submitted for the consideration of his Excellency the Governor-General in Council.

2. In the mean time, it is my duty to apprize you, that the execution of instructions which I have received, regarding the debt due to you from the Nizam's Government, at present depends on my receipt of those accounts.

I have, &c.

Hyderabad, 20th December 1822.

(Signed) C. T. METCALFE, Resident.

(Enclosure No. 3.)

To George Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

1. I have communicated with the Nizam's Government on the subject of your despatch of the 23d ultimo; and reserving a more particular reply for a further report, I have now the honour to assure you, that as far as the Minister's character can be trusted, the terms prescribed will be fulfilled. He has entered into the scheme with great readiness, and apparently with a full sense of the advantages which it bestows on the Government under his charge.

2. A most essential point for the satisfactory execution of those instructions, and that which induces me to trouble you at the present moment, is the acquisition of a sufficient quantity of specie or bullion, to give us a lead in the money market.

3. I understand that dollars will be the best remittance from Calcutta, being as available as sicca rupees, which are not known in the currency of this place, for either sale or recoinage, and the expense of coinage at the Calcutta mint being thereby saved.

4. If the value of forty or fifty lacs of rupees could be remitted from Calcutta, either in dollars or in rupees, as may be deemed most expedient, it would enable us to counteract the tendency to an unfavourable alteration in the rate of Exchange, which will no doubt be felt on our commencing to draw so largely as will be requisite. It would also provide for any disappointment on the side of Fort St. George, whither I have made application for twenty-five or twenty lacs of rupees, if they can be spared. If the remittances received should be more than sufficient for our wants, the possession of specie or bullion will nevertheless be always useful, as giving us a command in the market. Having had to provide by bills for the expences of the subsidiary force and Residency, for the last two years, without any importation of specie, has of late considerably affected the rate of exchange.

5. It is not in my power to state what amount I may be able to raise by bills. This will depend, in great measure, on the quantity of bills which Messrs. William Palmer and Co. may be disposed to take in payment of their demand: if they have to pay off their European constituents, it may be considerable. Much also will depend on the mode in which their native constituents may wish to dispose of the money received by them: if they remit to our provinces, that will furnish another demand for bills. On the whole, I think it most advisable to be prepared with a considerable supply of specie: we can afterwards take advantage of any demand for bills, and maintain a favourable rate of exchange.

I have, &c.

Hyderabad, 26th December 1822.

(Signed) C. T. METCALFE, Resident.

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Letter from Resident at Hyderabad.

(Enclosure No. 4.)

To G. Swinton, Esq., Secretary to Government, Fort-William.

Sir:

1. I have now the honour to report the results of my communications with the Nizam's Minister, in consequence of your despatch of the 23d ultimo.

2. He adheres at present to his former application for eighty-five lacs of Hyderabad rupees, under some notion, real or pretended, that this sum will enable him not only to discharge the whole of the debt due to Messrs. William Palmer and Co., but all other debts also. How so much will be effected by this sum, I cannot conceive; for I doubt even its sufficiency for the first of these purposes. I have explained my doubts to the Minister; and it is mutually understood, that if the above-mentioned amount shall prove insufficient, he will apply for more, to any extent that may be necessary, within the limits of the sum which his Excellency the Governor-General in Council has conditionally consented to supply.

3. For the repayment of eighty-five lacs of Hyderabad rupees, he proposes to assign thirteen lacs per annum, including the peshcush, which will discharge the amount considerably within the longer period of twelve years allowed by Government; and if he should require, as I conceive he must, a larger sum than eighty-five lacs, his sinking fund is to be increased, so as, in any event, to ensure the liquidation of the whole in twelve years, it being agreed, that he may expedite the operation by larger payments, whenever he shall have the means.

4. Districts are to be assigned in mortgage, for the realization of the annual sum, fixed in addition to the peshcush. The Minister agrees to our taking those districts under our immediate management, if he should fail in the regular payment of the stipulated annual amount, which agreement accords with the construction that I put on the sixteenth paragraph of your despatch, and I have therefore thought it sufficient. If I have made any mistake on this point, I trust that you will correct me.

5. The Minister promises fluently, as to his cordial co-operation in those measures which are deemed expedient for the improvement of the Nizam's Government and country. Considering, however, his character and habits, we must at all times depend more on the vigilance of the Resident than on Chundoo Loll's assurances; and I should hope, though the required reform in all things may not take place at once, that it will be effected ultimately, with gradual and sensible improvement intermediately.

6. With reference to the particular objects specified in the fourteenth and fifteenth paragraphs of your despatch, a system of settlement has been established, and its effect is continually extending. I am not aware that any change is necessary in the mode of collection, beyond the prevention of extortion. The revenue officers are liberally paid, and there is an office of revenue accounts under the Minister's immediate direction. The machinery of the Government does not appear to me to be defective. What is most requisite, is to root out the spirit of extortion; and if the spirit cannot be cast out, it must be counteracted and prevented by unceasing vigilance. The institution of a general treasury, and the abolition of the practice of granting assignments on the revenues, are measures of the highest importance. The Minister promises to effect both; but there is a considerable difference between the promise and the performance. He has found the issuing of assignments in anticipation of the revenue so easy a method of releasing himself from clamorous demands, that I shall be agreeably surprised, whenever he may discard this mischievous habit. I have always urged him on this point. He has always assented and promised; but the practice is convenient. He either does not see, or does not care for the injury inflicted, and the practice continues. The payment of the public debt will, however, deprive him of the plea which he has hitherto had for pursuing this course.

7. I do not anticipate any difficulty in executing those parts of the instructions of the 23d ultimo, which relate to the payment of the debt due to Messrs. William

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Letter from Resident at Hyderabad.

William Palmer and Co., after the receipt of the detailed accounts called for. There is, however, a demur as to the furnishing of these accounts, which has been reported for the further consideration and orders of Government. The Minister has promised them on his part, but will probably take his cue from the other party.

8. The tenth paragraph of your despatch requires a particular reply. If Messrs. William Palmer and Co. sustain any severe or extraordinary pressure, it cannot arise out of the pecuniary arrangements recently adopted by Government or now contemplated. The approach of the measure now contemplated must have the effect of relieving them from pressure. I am not certain what arrangements are alluded to as recently adopted, but I do not know of any that can have caused a pressure on the house. A temporary pressure with them is not unusual, owing, as I have before remarked, to their neglect of proper precautions; and I do not imagine that they sustain a greater pressure now, than they have been repeatedly subject to before. An advance of cash might, for several reasons, be peculiarly convenient to them at the present moment; but that is not the ground on which I am authorized to make it. I shall, therefore, wait for further instructions on this point, unless I find that there is such a run on them as may endanger the credit of their establishment; in which case, though not perhaps authorized by the letter of my instructions, I hope I shall be excused if I construe their spirit as warranting the advance therein conditionally sanctioned. One objection to the proposed advance, in any other than a necessary case, is, that in the event of subsequent delay in the liquidation of the whole debt, the advance might be absorbed in interest, without effecting any perceptible reduction in the principal; and the Minister might, at the same time, diminish his own payments, in consequence of the diminished urgency of their demand, and alienate the funds at present destined for them.

9. With respect to the debt due to us by the Nizam, on account of the revenues of the Ceded and Conquered Districts in his Highness's occupation, previously to the intercharge lately effected, I have explained to the Minister the substance of the seventeenth paragraph of your despatch. The amount of that debt will form the subject of a separate report.

I have, &c.

Camp, Narsinghpett, 27th December 1822.

(Signed) C. T. METCALFE, Resident.

(Enclosure No. 5.)

To T. C. Metcalfe, Esq., Resident at Hyderabad.

Letter from Secretary to Government.

Sir:

1. Your despatches of the 16th, 21st, 26th, and 27th ultimo, relative to the accounts of Messrs. William Palmer and Co., have been submitted to the Honourable the Governor-General in Council by whom I am now directed to communicate to you the following orders and observations.

2. The explanations afforded by Messrs. William Palmer and Co. submitted in your letter of the 16th ultimo, relative to the transfer of a large balance from the Aurungabad account to that of the sixty lac loan, and its subsequent re-transfer to the Aurungabad account, do not require any particular observation at present. Singular as such a transaction on the part of a commercial house must appear to be, it is evident the Government can form no conclusive judgment on its real nature and character, until the whole of their pecuniary transactions with the Nizam's Government shall have been laid open, as prescribed by the instructions of the 23d November last.

3. There is one point, however, connected with the Aurungabad concern, to which it is deemed necessary to call your attention in this place; namely, the resumption of certain tunkhas granted to the house for the pay of the troops, and the substitution by the Minister of others payable at a much more distant date.

4. The resumption of the assignments above adverted to was reported in the thirty-eighth paragraph of your despatch of the 16th October last. The observations

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Letter from Secretary to Government.

observations then submitted by you, with respect to any supposed injury sustained by the house, in consequence of the application of those funds by the Minister to their original purpose of paying the troops, who it appears were then in arrears, as well as the household and various other establishments of the State, as reported in your letter of the 5th July, are considered to be perfectly just. By the close of the Aurungabad arrangement under the orders of the Honourable Court, it became incumbent on Chundoo Loll to provide for the payment of those troops, from which charge the house had thus been relieved. In appropriating to the payment of the troops the funds previously assigned to Messrs. William Palmer and Co. for that special purpose, the Minister may be considered to have adhered to the spirit and intention of that assignment, although the mode of doing so was necessarily altered by the discontinuance of the previous arrangement. While, therefore, the house was allowed an interest of twenty-five per cent. on the outstanding balance of the Aurungabad account, including all charges of every description, whether for pay of troops, purchases made by the Government from them, or salaries and pensions to the several members and other individuals, with accumulating interest on arrears, it is not considered that the house could, with any show of reason, complain that the funds required for the exigencies of the State had, in the first instance, been applied by the Minister to meet the exigencies in question. The house, it may be remarked, had moreover a double security for the repayment of their advances; first, by the Minister's having granted them other assignments payable at a more distant date; and, secondly, in our having undertaken to assist the Minister with funds for the discharge of all just debts to the house, incurred with the actual or virtual sanction of the British Government. Among these, the house must have felt secure that the arrangement for the pay of the troops would have been included, since it had received the implied sanction of the Governor-General in Council, and was permitted to continue until stopped by the order of the Honourable Court.

5. There is one point of view, however, in which it is possible the house may have conceived itself aggrieved by the Minister's resumption of the assignments in question, and which if urged to you (as it does not appear to have been done), would undoubtedly have met with due consideration; namely, if the total amount actally advanced by them to the troops, from the commencement of the Aurungabad arrangement until its conclusion, exceeded the total amount of assignments for the same period. In such a case, Messrs. William Palmer and Co. might aver, that the assignments so withdrawn were regarded by them as cash actually in hand, constituting a repayment of sums paid in advance, and consequently not justly resumable by the Minister. Had a simple account between the Minister and the house, confined exclusively to a debit on one side of charges on account of the pay of troops to the extent of twenty-four lacs per annum (the amount which Messrs. William Palmer and Co. had engaged to provide), and a credit on the other, of receipts to the amount of thirty lacs of assignments, the stipulated funds placed at the disposal of the house, been carefully kept, it would at once have shewn on which side the deficiency existed; and had it thus appeared, that the assignments resumed by the Minister had actually been discounted by the house, or considered as cash and paid in advance to the troops, the house might, with some plausibility, have argued that the Minister acted unfairly towards them, by withdrawing from the house funds, on the strength of which they had been enabled to fulfil their part of the contract. But this argument would lose all its force, if (as would appear actually to have been the case) the house had employed for the payment of any other demands against the Government the assignments granted for the pay of the troops, as any such employment of those funds was a diversion of them from their proper use.

6. The Governor-General in Council being desirous that Messrs. William Palmer and Co. should have the amplest opportunity of explaining whatever is considered by them as a well-founded grievance, arising out of the execution of the orders of the Honourable Court, you will be pleased to call on them to state any particulars regarding the precise nature and extent of the alleged injury, occasioned by the resumption of the assignments in question, which they may wish to bring to the notice of Government; and you will accompany

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it with such explanations respecting the tunkhas resumed and those granted in their stead, as may enable Government to form a satisfactory judgment on the merits of the case. This is considered to be the more necessary, as a statement appears to have been made to his Excellency the late Governor-General, purporting "that the house had thrown themselves on the integrity of the "Minister for security against the danger which the withholding the stipu-"lated reimbursement of their advances visibly threatened, and that the Minister "had felt the obligations of his contract, and had remonstrated against being "compelled to infringe it."

7. I now proceed to notice the contents of your despatch of the 21st ultimo.

8. The tenor of your letter to Messrs. William Palmer and Co. of the 13th of that month, calling on them to furnish a complete account, is entirely approved. The objections to the production of those accounts, urged by Messrs. William Palmer and Co. in their letter to you in reply, are considered to be entirely inadmissible. Their licence to engage in pecuniary dealings with the Nizam's Government depending on the approval by the British Government of all such dealings, every particular regarding which the house are bound to communicate to the British Resident if required, any concealment implies a violation of their engagement, necessarily subjecting them to the penalties of the law. The circumstance alluded to by Messrs. William Palmer and Co., as the ground of their hope that their accounts may not be examined, namely, the return to them of the Aurungabad accounts in 1819 uninvestigated, so far from being deemed a sufficient reason for complying with their request on the present occasion, is considered by the Honourable the Governor-General in Council to afford the strongest ground for instituting the most minute and careful examination into all such transactions, since the whole perplexity and obscurity in which the accounts of the Aurungabad concern have been since involved would have been precluded, had Government not foregone, on that occasion, the scrutiny originally contemplated.

9. Under this impression, the Honourable the Governor-General in Council entirely approves the tenor of your reply of the 20th ultimo to the letter from the house; and I am directed to desire that you will immediately intimate to the house the expectation of Government, that no further demur will be made, on their part, to the production of all accounts between the house and the Nizam, or the officers of his Highness's Government, as already specified in the instructions of the 23d November, or to affording you such further information, or explanation, regarding any items of these accounts, as you may see proper to require. In communicating these observations to Messrs. William Palmer and Co., you will distinctly apprize them, that their compliance with your requisition is an indispensable condition of the British Government's interference for the adjustment of their outstanding claims against the Nizam, and of its countenance to their future commercial dealings in his Highness's territories.

10. On the subject of your despatches of the 26th and 27th ultimo, I am directed to observe that the Honourable the Governor-General in Council concurs with you in opinion, as to the probable inadequacy of the amount required by the Minister, namely, eighty-five lacs of Hyderabad rupees, to accomplish all the objects contemplated by this Government in sanctioning an advance of money from the Company's funds. The Minister, however, having signified his acquiescence in all the prescribed conditions, the Honourable the Governor-General in Council will proceed to adopt the necessary measures for remitting bullion or specie to the amount of fifty lacs of sicca rupees with the least practicable delay; on which subject a further communication will be made to you hereafter. It does not appear from your despatch, what has been the result of your communication to the Government of Fort St. George; but the Honourable the Governor-General in Council concludes that you will report it as soon as it may be known to you. It is not improbable that the Government of Fort St. George may be able to spare a considerable sum from their Mofussil treasuries, which could be easily supplied by a direct remittance from this Presidency to the general treasury at Madras. In that event, a corresponding reduction will, of course, be made of the proposed remittance of bullion, above adverted to, by the way of Masulipatam.

Enclosures in Bengal Political Letter, 25 Jan. 1823.

Letter from Secretary to Government.

11. With regard to the mortgage of purgunnahs, referred to in the fourth paragraph of your despatch of the 27th ultimo, I am directed to state, that your construction of the sixteenth paragraph of my letter of the 23d November is entirely correct.

12. It is highly gratifying to the Honourable the Governor-General in Council to learn, that the Minister has promised his cordial co-operation in the measures recommended in the instructions above adverted to, for the improvement of the Nizam's Government and country; and that, although a complete reform may not be effected at once, you see reason to hope that, under the vigilant superintendence of the Resident, it will ultimately be accomplished, with gradual and sensible amelioration in the meantime.

13. It is equally satisfactory to know, that the Minister has engaged to institute a general treasury, and to abolish the practice of granting assignments, as reported in the sixth paragraph of your letter last adverted to.

14. On the subject of the seventh paragraph of the same despatch, I am directed to observe, that you have correctly apprehended the letter and spirit of the instructions regarding an advance of ten or twelve lacs of rupees to the house of William Palmer and Co., under the circumstances supposed in the tenth paragraph of the instructions last quoted. Situated as the house is represented to be with respect to the capital of their loans to the Nizam, it is evident that they must always be exposed to the hazard of a temporary pressure, from causes quite independent of those contemplated as the grounds for making the proposed advance to them. That advance was contemplated only in a case of imminent danger to the credit of the house, as arising out of the execution of the orders of the Honourable Court; but even under any other circumstances of serious and unavoidable embarrassment, to be made out to your satisfaction, the Governor-General in Council will approve of your coming forward, as you state your intention to do.

I have, &c.

Fort-William,
15th January 1823.

(Signed) G. SWINTON,
Secretary to Government.

(Enclosure No. 6.)

Letter from Resident at Hyderabad.

To G. Swinton, Esq. Secretary to the Government, Fort-William.

Sir:

1. I have the honour to transmit copies of a letter from me to Messrs. William Palmer and Co., and of a reply from Mr. William Palmer individually, in explanation of the allowance received by Mr. Hastings Palmer from the Nizam's Government.

2. Therein it is stated, that this allowance was granted on the application of Mr. William Palmer, under the understanding that Mr. Hastings Palmer's services were at the disposal of Government. Any comment on this reply must be unnecessary.

3. We should also be told, I suppose, if inquiry be made on the subject, that the allowance of 1,000 Rupees per mensem, received to the day of his death by the late Mr. George Rumbold, a partner in the house, and a brother of Sir William Rumbold, was likewise under that understanding.

4. The fact of such an allowance to Mr. George Rumbold has only recently come to my knowledge. The plea, however untenable, set up by Mr. William Palmer, for his own allowances and those of his family, cannot, I presume, be even attempted in favour of those of the Rumbold family. In any view of the case, it must appear that the house of William Palmer and Co. has consisted for the most part of Members salaried by the Nizam's Government, without service or employment. If this does not sufficiently indicate the nature of the connection of that firm with the Nizam's Minister, I do not know what will.

5. Rumour speaks loudly of large pecuniary benefits derived in some way from the Nizam's Government by Sir William Rumbold individually. Having no proof at command of the fact, I have hitherto refrained from noticing the report;

report; but as it is now established that his brother received a monthly allowance, I see reason, more than ever, to credit what is generally asserted respecting himself. Enclosures in Bengal Political Letter, 25 Jan. 1823.

I have, &c.

Hyderabad, 20th December 1822. (Signed) C. T. METCALFE, Resident.

To Messrs. W. Palmer and Co., &c. &c. &c. Enclosure in Resident's Letter.

Gentlemen:

Mr. William Palmer's statement, in explanation of the monthly allowances from the Nizam's Government, held by himself and Mr. Hastings Palmer, and of those drawn in the name of the children of the former, having been entirely silent on the subject of the allowances to Mr. Hastings Palmer, I have received the orders of His Excellency the Most Noble the Governor-General in Council to ascertain from you, whether the omission be accidental, or whether you do not desire to offer any further observations in reply to the reference already made to you on that subject.

I have, &c.

Hyderabad, 13th December 1822. (Signed) C. T. METCALFE, Resident.

To C. T. Metcalfe, Esq., Resident, &c. &c. &c. Enclosure in Resident's Letter.

Sir:

I have the honour to observe, in reply to your letter of the 13th December addressed to the house, in regard to Mr. Hastings Palmer's allowance, that it was obtained from this Government on my application, about two years prior to Mr. Hastings Palmer being admitted a partner of the house; and it was granted to him in common with others, under the understanding that his services were at the disposal of the Government.

I beg further to observe, that the allowances granted to us have always been publicly known.

I have, &c.

Hyderabad, 17th December 1822. (Signed) W. PALMER.

(Enclosure No. 7.)

To G. Swinton, Esq., Secretary to the Government, Fort-William. Letter from Resident at Hyderabad.

Sir:

1. I have the honour to enclose the copy of a letter from me to Messrs. William Palmer and Co., in consequence of your despatch of 30th ultimo, and a copy of Mr. William Palmer's reply, on the subject of the affidavit sworn to by that gentleman and Sir William Rumbold.

2. The first part of Mr. William Palmer's letter relates to the partnership of Mr. W. Currie, and does not appear to require any remark from me. If the house had been as careful with respect to the admission of every partner, as Mr. William Palmer says they were with regard to Mr. Currie, they would, in some degree at least, have avoided their present aukward embarrassment; whether the opinion obtained respecting Mr. Currie was correct or otherwise.

3. Mr. William Palmer's petition to be relieved from the inquiries contained in the fourth paragraph of your despatch, is conclusive, in my opinion, as to the character of the affidavit sworn to by him and Sir William Rumbold. They are desired to state what persons officially attached to the Residency, besides Mr. Currie, have been partners in their concern, or have derived extraordinary benefit from it, or supported it with their capital at the commencement of the establishment; and the reply is, that to answer such questions would be a violation of every principle of confidence and trust between man and man. If Mr. William Palmer could, with truth, have answered, that no such persons had been so engaged with them, there would have been no violation of confidence in making such a declaration: on the contrary, he would have relieved all such

Enclosures in Bengal Political Letter, 25 Jan. 1823.

Letter from Resident at Hyderabad.

such persons from unjust suspicion, and would have produced a beneficial impression for his own cause. The unavoidable conclusion from his reply is, that such persons have been engaged with that establishment, and that the affidavit sworn to by Sir William Rumbold and Mr. William Palmer, even if literally true, according to the construction which they may choose to put on its contents, was, with reference to the purpose for which it was designed, essentially false.

4. I am instructed by the fifth paragraph of your despatch, that it will be indispensably necessary for me, in submitting the reply of Messrs. William Palmer and Co., to accompany it by such explanatory statements and information, as may assist the Governor-General in Council in forming his judgment on the case.

5. As far as pledging myself to the assertion, that persons officially attached to the Residency, and from the circumstance, necessarily conferring influence, have been engaged with the concern now known by the designation of William Palmer and Co., either as partners or as deriving extraordinary benefit from the connection, I can have no hesitation, because such information is necessary to expose a part of the impositions practised by Messrs. William Palmer and Co., who originally, I believe, derived their principal influence from that source, had always the support of that connexion until they obtained the more powerful patronage of the Supreme Government, and even afterwards clung to a hold on the Residency, as having advantages prospective as well as actual, until inquiries on the subject, or other circumstances, rendered an ostensible separation necessary.

6. I hope that this general assurance will be sufficient, and that I shall not be required to bring forward the names of the gentlemen of the Residency who were connected with that establishment. To do this I feel the greatest reluctance. One gentleman is in India, to answer for himself: but even with regard to him, a public disclosure would be painful to me. Others are far away and would have no opportunity of justifying or explaining their connexion with the firm; while, in their absence, a stigma against them would appear on the public records. Nevertheless, if it be considered indispensably necessary that this information should be furnished, I must, of course, sacrifice every other consideration to duty and obedience.

7. I do not attach any blame to Messrs. William Palmer and Co. for declining to betray their confederates. Abstractedly, the sentiments expressed by Mr. William Palmer on this point appear to me to be laudable, though coupled with his affidavit they seem ludicrous. To inform the Government what persons have been his partners, would be dishonourable; to deceive the Government by an affidavit, equivocal; and its object considered essentially, if not literally false, is no dishonour in his eyes.

8. When Messrs. William Palmer and Co. want aid and support from the British Government, then they are all obsequiousness and devotion; the humble servants of the Government, who have no existence but in its smiles. When Government requires information from them, in order to ascertain whether or not they have abused the protection and patronage which they have received, then they find various excuses, sometimes their honour, sometimes their interests, for trying to withhold the information required. I trust that this will prove a lesson of lasting effect against favouring such establishments with the peculiar countenance of Government. The Government becomes subservient to their interests. The Government confers on them unnatural influence; and to what purpose? Their gain is promoted beyond all reason, but no public object is attained; rather, every public object is sacrificed: and when the Government deems it necessary to inquire, whether or not, through such means, its own orders or the national institutes have been disregarded, then the parties find that it is inconsistent with honour to furnish the necessary intelligence, lest they betray those who have confederated with them in violating the regulations of the Company's Government and the laws of the British realm.

9. The period to which Mr. William Palmer's affidavit refers not being distinctly defined in his letter, I applied for further information on that point.

Copies.

Enclosures in Bengal Political Letter, 25 Jan. 1823.

Letter from Resident at Hyderabad.

Copies of my communication, and of his reply, are enclosed. He fixes the 13th of February 1814 as the date of the establishment of the present house, and as the period which his affidavit retrospectively embraces. I do not understand that to have been the period at which Mr. William Palmer commenced business in partnership with others: neither is it the period at which the house was first composed of the present partners. Whether it is the period of Sir William Rumbold's junction, or the period when the house was first designated as William Palmer and Co., supposing that there may have been a distinct period at which that designation was formally assumed, subsequently to the first establishment of the concern, or whether it is a date arbitrarily declared by Mr. William Palmer, for some purpose connected with his affidavit, are questions which I am not able to determine. It is certain, however, that Mr. Currie is not the only gentleman who has been officially attached to the Residency, and at the same time a partner in the firm of William Palmer and Co., since that period. The existence of another such partnership, to a later date than August 1819, which is that assigned for Mr. W. Currie's separation from the establishment, is, I believe, indisputable.

I have, &c.

Hyderabad,
24th December 1822.

(Signed) C. T. METCALFE,
Resident.

Letter from Resident at Hyderabad.

To Messrs. W. Palmer and Co.

Gentlemen:

I have the honour to transmit for your information, a copy of a despatch from the Secretary to Government of the 30th ultimo, and an extract from another of the 13th September, and to request your attention thereunto; especially to the second, third, and fourth paragraphs of the former, by which you are required to submit explanations on points therein indicated.

I have, &c.

Hyderabad,
16th December 1822.

(Signed) C. T. METCALFE,
Resident.

Letter from Mr. Wm. Palmer.

To C. T. Metcalfe, Esq., Resident, &c. &c. &c.

Sir:

I have the honour to acknowledge the receipt of your letter of the 16th December, addressed to Messrs. William Palmer and Co., which I proceed to answer individually, as my personal signature is affixed to the affidavit. Sir William Rumbold's absence precludes an immediate reply on his part.

Adverting to the second paragraph of the despatch of the 30th November, and extract of the despatch of the 13th of September, therein referred to, I beg to state, that Mr. W. Currie became a partner of the house, under the recognized privilege that medical men in civil situations in the Honourable Company's service have of entering into trade. To remove every doubt regarding the propriety of his commercial engagements with us, a reference was made by me to Mr. John Palmer of Calcutta, who obtained the opinion of a Member of Council upon the question.

Mr. W. Currie retired from all participation in the concerns of Messrs. William Palmer and Co. on the 23d August 1819. The public announcement of his retirement by the papers of all the Presidencies did not take place till long subsequently, in January 1822; and it was then only reverted to, in consequence of the legal opinions obtained by Mr. W. Currie, at home, that his responsibility in the affairs of the house could be absolved by a public notification only.

Mr. W. Currie succeeded to the allowances which had been enjoyed by his predecessors at this Residency: he drew it long before the formation of our house was contemplated, and I conclude that his successor now receives it. The payment through us was simply on draft, and partook of the nature of all other payments made by us on account of this Government.

In reply to the third paragraph of the despatch, I beg to state that my affidavit refers to the period at which the present house was established.

Enclosures in Bengal Political Letter, 25 Jan. 1823.

Letter from Mr. Wm. Palmer.

I further beg to submit to you, with reference for the consideration of his Excellency the Most Noble the Governor-General in Council, that I consider the fourth paragraph as calling upon us to answer questions involving a direct violation of every principle of confidence and trust between man and man, and inevitably leading to discredit and dishonour. No mercantile house can acquire considerable dealings, but from the understood sanctity of their pledge to preserve the confidence of their constituents; and I humbly hope that Government will, in its justice and liberality, forbear, upon consideration, to urge inquiries, which we shall find impossible to answer but by the sacrifice of our character and integrity. I venture, with due submission, to appeal to the feelings of every man regarding his own personal concerns.

I have, &c.

Hyderabad,
19th December 1822.

(Signed) W. PALMER.

Letter from Resident at Hyderabad.

To Messrs. W. Palmer and Co.

Gentlemen:

With reference to Mr. William Palmer's letter of the 19th instant, I beg to require, for the information of his Excellency the Most Noble the Governor-General in Council, what period is referred to in the following sentence:

"I beg to state, that my affidavit refers to the period at which the present "house was established." That is, on what date the present house was established?

I have, &c.

Hyderabad,
21st December 1822.

(Signed) C. T. METCALFE,
Resident.

Letter from Mr. Wm. Palmer.

To C. T. Metcalfe, Esq., Resident, &c. &c. &c.

Sir:

I have the honour to acknowledge the receipt of your letter of the 21st December 1822, addressed to Messrs. William Palmer and Co., and beg to state, in reply, that the present house was established on the 21st Suffer, Hijree 1229, corresponding, I believe, to 13th February 1814.

I have, &c.

Hyderabad,
24th December 1822.

(Signed) W. PALMER.

(Enclosure No. 8.)

Letter from Secretary to Government.

To C. T. Metcalfe, Esq., Resident at Hyderabad.

Sir:

1. I am directed to acknowledge the receipt of your dispatches of the 29th November, and 6th, 20th, and 24th ultimo, and to communicate to you the following observations and orders on the several subjects to which they respectively relate.

2. The Honourable the Governor-General in Council has perused with much interest, the able, manly, and candid exposition of your views and sentiments, in explanation of your proceedings with reference to the questions discussed in the instructions of 25th October last; and it affords him the highest gratification to express his general concurrence in the soundness of your conclusions, and his entire approbation of the tenor of your conduct, under circumstances of no ordinary difficulty. Without more particular advertence to the general questions of policy discussed in your letter and the instructions above referred to, the Honourable the Governor-General in Council deems it sufficient, at present, to assure you, that the confidence of Government in your approved talents, sagacity, and discretion, continues unimpaired, and that the firmness, judgment, and public zeal, which have invariably distinguished your long and honourable career in the various and important situations you have been called to fill, have never, in the estimation of the Governor-General in Council, been more conspicuously displayed, as they were never more essentially required,

than

than in the execution of the arduous duties which you have had to perform since your nomination to the Court of Hyderabad.

3. Fully impressed with a conviction of the indispensable necessity, as well as justice and expediency of persevering in the reform of the Nizam's Government, which Rajah Chundoo Loll has engaged to carry into effect with the assistance of the British Government, the Governor-General in Council is decidedly of opinion, that no relaxation of those salutary measures should be allowed to take place. You will accordingly consider yourself authorized to proceed in the spirit of the original instructions issued to your predecessor, in the execution of which your exertions have hitherto been so conducive to the benefit of the Nizam's Government and country.

4. The Honourable the Governor-General in Council entertains a confident persuasion, that on the completion of the arrangements now in progress for the liquidation of the public debt, and the emancipation of Rajah Chundoo Loll from the shackles of the house of Messrs. William Palmer and Co., you will no longer be exposed to the secret counteraction against which you have had to contend in the prosecution of the reform, and that the Minister, when satisfied that you possess the unabated confidence of your Government, will cheerfully co-operate with you, in the correction of abuses, and the general improvement of the finances and resources of the State.

5. To preclude all future attempts, on the part of Messrs. William Palmer and Co., to tamper with the Minister and engage him in fresh intrigues, the Honourable the Governor-General in Council is of opinion, that no further delay should be allowed in carrying into execution the intention already announced, to interdict all direct communication between the Minister and the members of the firm. You are accordingly directed to signify to Messrs. William Palmer and Co., that all future intercourse between them and Rajah Chundoo Loll, except through the channel of the British Resident, is prohibited by the Governor-General in Council, in the same manner as is the case with regard to other British subjects at Hyderabad; and you will intimate to Rajah Chundoo Loll the confident expectation of the Honourable the Governor-General in Council, that he will conform to the wishes of the British Government in this respect, declining henceforth all communication, personal or written, with the Members of that firm, unless with the sanction or through the channel of the Resident, and thus affording a pledge of the sincerity of his professions to abide by your counsel and advice.

6. I now proceed to convey to you the observations and instructions of the Honourable the Governor-General in Council on the subject of your letter of the 6th December.

7. The disavowal by Messrs. William Palmer and Co. of all participation in the preparation or suggestion of the complaints preferred against you in the Minister's letters, forwarded to Calcutta by one of the members of the firm, is contradicted, not less by the strongest presumptions of their deep implication in that disgraceful transaction, than by the declaration of the Minister himself, who acknowledged to you that he had been instigated by them to the adoption of the measure, and had been acting in combination with them throughout the whole affair. The body of evidence submitted in your despatches, of their being the prime movers in that intrigue, is too strong to be resisted; and notwithstanding the denial of the firm, the Honourable the Governor-General in Council is compelled to declare his deliberate conviction, that Chundoo Loll, in the belief of their pretended influence with the Supreme British Authority, was stimulated and encouraged to proceed to an extremity against you, that alone and unsupported he never would have desired or attempted to do.

8. While, however, the Governor-General in Council deems it proper to record his conviction of their deep concern in that unworthy transaction, and to mark their conduct with his decided reprobation, it does not seem necessary, for any practical purpose, at present to pursue the topic any further, since the detection and defeat of the intrigue, and the interdict against future direct communication between the Minister and the members of the house, will sufficiently guard against any further attempts of a similar nature.

9. Referring

Enclosures in Bengal Political Letter, 25 Jan. 1823.

Letter from Secretary to Government.

9. Referring to the twenty-eighth paragraph of your despatch, now under consideration, I am directed to observe, that however desirable it undoubtedly is to terminate the connection between the Minister and Messrs. William Palmer and Co., and to bring all pecuniary dealings between them to a close, the Honourable the Governor-General in Council must suspend any decision as to the proposed admission of claims unsanctioned by the British Government, though acknowledged by that of his Highness the Nizam, until the receipt of the accounts and explanations, already called for by my letter of the 19th November. The bonus on what is termed the sixty lac loan, and the principal with arrears of interest, of the allowances held in the names of the several members of the firm and their families, appear to be the most doubtful cases.

10. With respect to the subject of your despatch of the 20th ultimo, I am directed to observe, that nothing can be conceived more frivolous or absurd, than the ground on which the allowance granted to Mr. Hastings Palmer is said to be held. It would now appear that the late Mr. George Rumbold was likewise in the receipt of a salary from the Nizam's Government; and you state also, that rumour speaks loudly of large pecuniary benefits received by Sir William Rumbold.

11. To all those allowances and benefits received by the members of the firm of William Palmer and Co., one remark will equally apply. As held by individuals engaged in extensive loans to the Government of his Highness, they can only be regarded in the light of illicit gain on their pecuniary dealings, obtained through undue influence with Chundoo Loll, to whose extravagance, at the expense of the State, they ministered, by supplying him with money at an usurious rate. All those allowances, it is to be presumed, were granted by Chundoo Loll, not less without the privity and sanction of the sovereign of the country, than without the knowledge of the British Government. In the present exhausted state of the Nizam's resources, it is obvious that his Highness's Government cannot bear the burden of such worse than useless and improvident grants. The Minister, indeed, must be held responsible to us for the due fulfilment of his engagement to reduce all unnecessary expenditure; and he is bound to shew, first, that he has funds wherewith to pay those gratuitous allowances, and next, that they are a just demand upon the State.

12. On the general question of the grant of salaries or pensions by the Minister to British subjects, the Honourable the Governor-General in Council is of opinion, that some restraint should be imposed on Chundoo Loll's propensity to lavish the resources of the State in this way. In the instance of the salaried members of the firm of William Palmer and Co., there is, indeed, too much reason to suppose that he was actuated by the exclusive motive of converting to his own advantage the influence which he was led to believe the house possessed with the British Government, and thus securing the means of indulging his vicious habits of extortion and plunder, in opposition to the counsel and advice of the Resident himself. As some check, therefore, to this fertile source of corruption and abuse, it will be necessary that the Minister should furnish you with a list of all British subjects who may be in the receipt of allowances or pensions, stating the amount and occasion of the grant, and the period of its duration. In future, no British subjects can be permitted to accept such grants without previous intimation to the Resident, who will report the circumstances of the case for the consideration of the Governor-General in Council. You will accordingly signify to the Minister, the expectation of the British Government that he will act on this principle.

13. With respect to the large pecuniary benefits said to have been received from the Nizam's Government by Sir William Rumbold, I am directed to desire that you will report the particulars, as far as they may be consistent with your knowledge, verifying the facts, if practicable, by a reference to the Minister, who no doubt will be able to give you every necessary information. The detection of corrupt practices on the part of any British subject, situated as the Nizam is with relation to the British Government, at the court of a native Prince, is an imperative duty; and it becomes peculiarly incumbent, when the individual accused of corruption may have committed the offence while holding the situation of a British Magistrate, as Sir William Rumbold did, for a considerable period after his becoming a partner in the house of William Palmer and Co.

14. As

Enclosures in Bengal Political Letter, 25 Jan. 1823.

Letter from Secretary to Government.

14. As connected with the subject of grants of money to British subjects, it may be proper also to inquire further into the several items of account, amounting to Rupees 2,86,762, alluded to in your despatch of the 1st August; regarding which Chundoo Loll declined to give any explanation, and which, it may be presumed, had some connexion with the gratuities of the nature in question.

15. I am now directed to advert to your despatch of the 24th ultimo, relative to the affidavit,

16. The objections urged by Mr. William Palmer, to afford the required explanation of an affidavit voluntarily made by himself and Sir William Rumbold, for the satisfaction of the British Government on a point affecting the character of its public servants, are considered to be entirely irreconcileable with the professed or avowed object of that affidavit, and warrant the strongest suspicion, that individuals, officially attached to the Residency, have been concerned with the house, and that, in tendering that affidavit, a deception was attempted to be practised on the British Government. The terms of that document are evidently calculated to convey the impression, that no person but the acknowledged partners of the firm had ever been, directly or indirectly, concerned with them in loans to the Nizam or the officers of his Government; and supposing the fact to be so, the Governor-General in Council cannot comprehend how any breach of confidence towards their constituents can be involved in a distinct and unequivocal declaration to that effect, while, on the other hand, their refusal leads to the inevitable inference that the case was otherwise.

17. With regard to the limitation, in point of time, to which Mr. William Palmer refers the allegations in the affidavit, I am instructed to make the following observations. The professed object of that document was not to testify to any particular period during which no public functionary, or the head of any public department, had any avowed or secret partnership with them, or any interest in their concerns, but to remove a suspicion alleged to have been entertained, that the dealings of the house with the Nizam's Government had been encouraged, through a corrupt understanding with a person high in office at Hyderabad.

18. The criminality of a public functionary so implicated, could not, in the eye of his Government, be absolved, by his having ceased to continue from a certain period his avowed or secret participation in the profits of a commercial body, the principal members of which were the same individuals both before and after such period; and to say, therefore, that such public functionary had never been concerned with the firm of Messrs. William Palmer and Co., because those individuals assumed that particular designation from a particular time, is a mere equivocation, and the assertion on the part of those who made the affidavit, can only be regarded as the grossest imposition on the Government, should it ultimately appear that any such official person was connected with them, or any one of them, in banking concerns, even prior to the period in question.

19. The extraordinary tenor of Mr. William Palmer's answer to your requisition, coupled with the observations with which you have accompanied it, has now imposed on the Government the painful, but indispensable duty, of following up the inquiry into the fact, of any servant of the Honourable Company, attached to the Residency of Hyderabad, having been concerned in pecuniary dealings with the Nizam, directly or indirectly, at any period since Messrs. William Palmer and Co., or any one or more of the individuals composing that firm, were so engaged. It is not the intention of the Honourable the Governor-General in Council to press upon Messrs. William Palmer and Co. the questions which their principal partner has expressed his repugnance to answer: it will be sufficient to communicate to them the sentiments of Government, as above stated, leaving them to comply or not with the first requisition, as they see fit. With respect to them, it is only necessary to observe further, that one partner only has replied to the queries which you were directed to put to them individually, as well as collectively. The absence of Sir William Rumbold from Hyderabad, was no reason why he should not individually reply to your letter; and with respect to the others, it would have been more consistent with the expressed desire of Government, if each of them also had

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answered for himself. In apprizing Messrs. William Palmer and Co. of these remarks, you will state to them what was the expectation of Government; and it will still be proper, in the absence from Hyderabad of any partner of the house, to transmit a separate letter to him, to the effect of your communication to the house, wherever he may have gone.

20. In pursuance of the resolution stated in a preceding paragraph, to prosecute the inquiry into the fact of any person being officially connected with the late or present Residency, I am now directed to inform you, that as the British Representative at his Highness's court, it becomes your bounden duty to your Government to reveal all that may have come to your knowledge, of the malversation or corruption of any of the individuals alluded to. You are accordingly enjoined to report, fully and faithfully, whatever is known to yourself, or what you may now be able to ascertain, with regard to the fact and nature of the connexion which now subsists, or at any preceding period may have subsisted, between the house of William Palmer and Co., under whatever designation, and individuals officially attached to the late or present Residency at Hyderabad, specifying the names of all such individuals as are, or have been partners in the house, or deriving extraordinary benefit from the connexion. You will, at the same time, substantiate, as far as may be practicable, the facts which you may report, by the testimony of other individuals, and such other proofs and documents as you may be able to procure.

21. The Governor-General in Council justly appreciates the motives which induce you to seek to be exonerated from that unpleasant task; but it is one, from which the obligations of his public duty forbid him to absolve you.

I have, &c.

Fort-William, 15th January 1823. (Signed) Geo. Swinton, Secretary to Government.

(Enclosure, No. 9.)

MR. HARINGTON'S MINUTE.

Mr. Harington's Minute, 24 Jan. 1823.

Having fully and deliberately concurred in the instructions issued to the Resident at Hyderabad on the 15th instant, I should not consider it necessary to record any distinct opinion upon the subjects of them, if it did not appear to be a duty incumbent on me, in consequence of the recent discussion of those subjects in the Minutes of Council recorded (in the Secret Department) on the 20th ultimo; especially as they involve an important question, which has been referred for the decision of the Honourable Court of Directors, viz. by what principles we should regulate our interference in the administration of the Nizam's Government, whilst vested, as it now is, in the hands of a Minister appointed at the instance, and supported by the influence of the British Government?

2. I purposely state the question in this limited form, because in the Minutes above referred to, as well as in all other public documents of a recent date which have come under my perusal (including the whole of the correspondence with the Resident at Hyderabad, adverted to in the letter addressed to the Honourable Court of Directors from the Political Department on the 20th ultimo), it appears to be assumed, and assented to with little variation of sentiment upon this point, that the motives of political expediency which, in the year 1809, led to the appointment of Rajah Chundoo Loll, through the influence of the British Government, to be the efficient Minister of the Nizam, and virtually to exercise the entire powers of the State, still continue to operate, and to require that Chundoo Loll should be continued and supported in his office, whilst faithful in the discharge of his trust, as the only practicable means of preventing the recurrence of former abuses, of completing with success the measures of reform which have been commenced by him in concurrence with the Resident, and of ultimately accomplishing the objects pointed out in the instructions to the late Resident at Hyderabad, under date the 22d January 1820, as those for which he was authorized to interpose his advice

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advice and influence, "with a view to the prosperity of the Nizam's dominions and the happiness of his subjects."*

3. Were the question now under consideration, or rather under reference to the Honourable Court of Directors, whether we should, in the first instance, interpose our authority or direct influence in the internal administration of a native Prince, entitled by treaty to the independent government of his own territory; and were his Highness the present Nizam the actual Prince respecting whom this question was to be considered, I should feel great difficulty in expressing or forming a decided opinion, without further inquiry and information.

4. On the one hand, adopting as the basis of a practical argument on the question supposed, what is stated of the personal character of the Nizam by the Marquess of Hastings, (in his Lordship's Minute of the 10th November 1819,†) and is corroborated by the public correspondence of both the late and present Residents at Hyderabad, there appears to be solid ground for his Lordship's reasoning, "that there are peculiarities respecting the Government of "Hyderabad, which entirely bar the present applicability of the system of "policy" now established in Oude (where the Resident is restricted from meddling, in any ordinary instance, with the internal government): and I know not how to resist the convincing force of his Lordship's conclusion, that "the obstacle exists in the personal character of the reigning Prince."

5. I must further acknowledge, as the result of all the consideration I have yet been able to give to the subject, that were we left to our own discretion, unrestricted by legislative enactments, or the orders (equally obligatory upon us whilst in force) of the Honourable Court of Directors, my own mind would incline to the benevolent, and in the case of Hyderabad, actually beneficial system of policy, described and recommended by the gentleman who now fills so ably and honourably the responsible station of British Representative at the court of Hyderabad, in his letter dated the 31st August 1822, and more fully illustrated in the fourth and succeeding paragraphs of his explanatory letter dated 29th November, written in reply to the instructions which were transmitted to him on the 25th October last.‡ It may, perhaps, be an over statement of the principle of obligation inherent to our paramount ascendancy among the political States of India, as now established, to say, in the terms of Mr. Metcalfe's letter of the 31st August above-mentioned, that our interference in the administration of the Nizam's Government, whilst required for the protection of his subjects from grievous oppression, is "not merely a right, but also a duty." Were the right positive and perfect, the duty would undoubtedly be so likewise. Such rights and duties must, on the soundest principles, be deemed reciprocal: but if the right to interpose our power or influence in the Government of an ally, connected with us, as the Nizam is, by written treaties, be measured by the strict tenor of subsisting engagements, it must, I think, be admitted, that we have no such positive right; and consequently, that the obligation upon us to interfere, even for the prevention of evil to the Nizam himself, and to his subjects, is but imperfect. At the same time, it appears to me indisputable, that our supremacy in India, which must be now deemed virtually, if not formally "universal," does bring with it a degree of responsibility for promoting the general welfare of the States and people within the sphere of our influence, as far as it can be done consistently by the use of legitimate means, with due regard to the rights of others as well as to our own national interests.

6. On

* "These objects were a salutary controul over the internal administration of the country; accurate "accounts of all establishments, receipts, and expenditures; the correction of abuses; a proper "distribution of justice; the reduction of expense; the amelioration of the revenue system, "including the customs and duties levied on commerce; the improvement of resources; the "extinction of debt; the efficiency of troops retained, and the discharge of such as are useless."

† Extract from the Minute referred to, recorded in the Political Department 1st January 1820.—"A constitutional irregularity of mind approaching to derangement, and an evinced propensity to "yield himself to the wild counsels of the ignorant profligate parasites about him, make it quite "certain, that were the existing controul over him suddenly withdrawn, his country would soon fall "into confusion."

‡ See accompanying extract (A) from the letter last mentioned, which is annexed, for immediate reference, to this minute.

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6. On the other hand, the orders of the Honourable Court of Directors (as far as I have yet been able to ascertain what are now subsisting and applicable to the case), appear to militate "against any further interference in the internal "affairs of the native States with which we are connected by alliance, than "may be necessary to secure fidelity to their engagements with us, and to "maintain our own just rights." These, indeed, are the very words used by the Honourable Court, in their letter to the Governor in Council at Bombay, dated 1st March 1820, relative to the Guicowar Government; and the instructions contained in that letter are, of course, equally imperative upon all the Governments acting under the authority of the Honourable Court, as far as they can be fairly construed, applicable to the circumstances of any other case than that to which they were directly applied. I annex to this Minute an extract (B) from the letter referred to, as shewing to what the order cited was meant to extend, in the particular instance to which it had an immediate relation; and as the general question is not now before us, I will not presume to offer an opinion (beyond that above submitted, as the crude, but I trust excusable suggestion of my own mind,) on the concluding observation of the Honourable Court, viz. "We are not called upon to impose upon ourselves the "task of correcting abuses, for which we are not answerable, and to which our "authority does not extend."

7. But whatever may be ultimately determined and prescribed for our guidance by the controlling authorities in England, respecting the general line of policy to be observed by the local Governments of the East-India Company towards the several native States, which are more or less dependent upon, or connected with us, by the tenor and spirit of subsisting engagements, and however diffident I may naturally feel, without more experience and information, in offering an opinion upon so extensive and important a question, I have no hesitation in forming and declaring a decided conviction upon the more circumscribed point, which I have already stated as appearing to be, in substance and effect, what is referred for the decision of the Honourable Court of Directors, with the letter addressed to the Court on the 20th ultimo, and the documents since transmitted in continuation.

8. On this point, I entirely adopt the sentiments so fully and clearly expressed in the following extract from Mr. Adam's Minute, dated the 1st November last, and recorded on the 20th ultimo.

9. "It is impossible to disguise from ourselves that, for some years past, the "State of Hyderabad has been in a condition of absolute dependance on us; "that its own power has been a mere shadow; that it has been prevented "solely by our support from crumbling to pieces and becoming the prey of "internal anarchy; that the Minister has been avowedly the creature of "our will; that every political measure has been directed by us; and that "our abstinence from taking a more decided part in the internal administration, "combined with the proper causes of decay, had brought it to the condition "in which it was when we found the reform forced upon us.

10. "I profess my inability to perceive in a Government and country so "situated, any semblance of that independence with regard to internal con-"cerns, which the theory of the alliance recognizes. I do not draw from these "facts any inference favourable to our assuming a despotic rule over this "broken down *effete* Government. Justice and policy alike claim from us an "endeavour to replace it in something like the exercise of an independent "authority, to restore its prosperity, and to reinvigorate its resources. But this "obligation imposes on us the corresponding one, of taking effectual measures "for the purpose; and I see nothing revolting, but every thing encouraging, "in the exercise of the degree of interference necessary for those admitted "beneficial purposes, to a State incapable of recovering itself by its own "energies. The reform of the Nizam's administration is not a novel contempla-"tion for the British Government. Its deplorable state has long been lamented, "and it is probable that nothing, but the more pressing urgency of other objects, "prevented the adoption of earlier measures for the purpose. It was generally "acknowledged, that after the grand pacification of India, by the destruction "of the Pindarries and the subjection of our other enemies, no object would more

" more strongly press itself on the attention of the British Government. The " unaided exertions of the Government of Hyderabad itself were never ima- " gined, and it was quite evident to every one, that the work, if done at all, " must be done by us. So long ago as 1810, Captain Sydenham, the Resident, " expressed himself on this subject in the following emphatic terms, in a " despatch of the 29th May of that year: 'With regard to the amelioration of the " 'state of this country, I am convinced that during the reign of the present " 'Nizam no improvement can be expected, without the administration of the " 'country be placed under the control of the Resident. The defects of the " 'present Government are too deeply rooted and widely extended, to admit of " 'any partial reform; and it is therefore unfortunate, that the only effectual " 'remedy that can be applied, should be so much at variance with our views " 'and policy.' The same opinion was professed by Mr. Russell.

11. " When, at length, the reform was undertaken, the assistance of Chundoo " Loll was counted on, because, with all his acknowledged faults, he was " esteemed the fittest man at Hyderabad to execute our views. He was the " actual Minister; and was such by our selection, which naturally made us " look to him as the most available instrument. But the very terms, in which " his character and qualifications for the work are discussed in the correspon- " dence, imply, that if we had not thought him so, we should not have hesitated " to suspend him, virtually at least, if not ostensibly. The very essence of " reform then was our interference; and, though I acknowledge that it should, " on every account, be as limited as possible (and I believe it has been so), the " limitation was to be measured only by the efficacy of the interference for its " purposes, and not by any reference to an illusory independence, which had " long ceased to exist. I must take this principle to have been fully admitted, " even as towards the Nizam himself." As affecting Chundoo Loll, there could " be still less scruple. It is to be remembered that he is the Minister, not " the Regent, of the country, and that he must owe reponsibility to some one. " The Nizam's seclusion from public affairs, and the stipulated nullity of the " Chief Minister, precluded the notion of his being substantially accountable " in those quarters. To whom then was he so but to the British Government, " which had been, in this instance, compelled to stand forth for the re-esta- " blishment of the prosperity of the State? In the instructions under review " it is stated, that 'attaching to the Minister a direct responsibility, we would " 'uphold him so long as he displayed a just and provident rule.' I can form " no other notion of this responsibility than its being due to the British Govern- " ment.

12. " On all these considerations, I must regard the Government of Hyde- " rabad as taken out of the general principle which precludes our interference " with the internal affairs of foreign States, and the degree of interference " which we have exercised for the reformation of existing and crying abuses, " have been abundantly justified by the necessity of the case."

13. The accompanying extract from Mr. Metcalfe's letter of the 29th November 1822, as well as several passages in his preceding letter of the 31st August, already adverted to, might be cited in support of the above review of the nature of our connexion with the State of Hyderabad, and of the consequent responsibility of the Minister to the Government by whose influence he was appointed. But to prevent an undue extension of this Minute, I will only further quote what appears to me conclusive on the subject.

14. The Honourable Court of Directors, in their political letter to this Government dated 28th November 1821 (paragraph 66), have cited the following abstract of a report made by the Resident at Hyderabad to Sir Thomas Hislop, on the military resources and political condition of the Nizam's dominions, dated 14th June 1817.

15. In that report, Mr. Russell stated " that the Nizam himself might be " considered, for all purposes of practical utility, as a cypher, and that he never " took any part in the business of his Government; that Moneer-ool Moolk " was nominally the Dewan, or Chief Minister, but that it was made a con- " dition, at the time of his appointment, that none of the affairs of the Govern- " ment should be administered by him; that Rajah Chundoo Loll, though

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"nominally only Peshcar, or Deputy-Minister, was invested with all the functions of the office, and administered them without any interference on the part of Mooner-ool Moolk, and generally without any reference to the sanction of the Nizam; and lastly, that Rajah Chundoo Loll having been indebted exclusively to our Government, for both his elevation and support, was bound to us by the surest of all ties, that of knowing that the very tenure of his office, his authority, and probably his life, depended upon our ascendancy." The inference then drawn by Mr. Russell from the state of things, as above described, was, that "on all occasions, of what magnitude soever, where we may require the co-operation of Rajah Chundoo Loll, we may confidently depend upon him to the utmost of his power."

16. In the succeeding paragraph of the letter which contains the above abstract the Honourable Court remark: "For the conduct of a Government thus created and sustained by British influence, and thus obedient to British counsels, it appears to us that none else can be held responsible, but those who have constructed, supported, and advised that Government."

17. If then the Honourable Court of Directors consider the Company's Government in India to be responsible for the just administration of affairs at Hyderabad, whilst intrusted to a Minister of its own creation and sustained by its influence, it necessarily follows, that the Minister so maintained, must be held responsible to the British Government, and that he should, to adopt the words of the Honourable Court, be "obedient to the British counsels," as communicated to him by the Resident.

18. This Minute (for the deficiencies of which I have to plead, besides my want of experience in the Political department, the hurry unavoidably attending a pressure of business) being already protracted to a length not originally contemplated, I will subjoin a few words only on the two remaining subjects of the instructions to the Resident at Hyderabad, under date the 15th instant, of which a brief notice appears requisite, *viz.* the proposed loan to the Nizam for the discharge of his debts, especially those contracted, with the knowledge and sanction of the British Government, to the firm of William Palmer and Co.; and lastly, the unjustifiable conduct of the members of that firm, with the measures to be adopted for preventing a recurrence of it.

19. The Resident, in his letter of the 27th December, having reported the Minister's acquiescence in the terms on which the loan of a sum, not exceeding a crore of rupees, was tendered to him by the authority of this Government, before I had the honour of filling a seat in the Council, it would be useless to enter upon any discussion of the nature of the proposed loan; the interest of which, at six per cent., is to be defrayed from the peshcush receivable by the Nizam for the Northern Circars, amounting to seven lacs of Madras rupees per annum; and for the gradual discharge of the principal, within the period of the Company's charter, besides the surplus of peshcush (after payment of the yearly interest), districts are to be assigned in mortgage, to an extent of six lacs of rupees (in addition to the peshcush), with a condition that they may be taken under our immediate management, if the Minister should fail in the regular payment of the stipulated annual amount.

20. This loan is partly founded on the construction given to the sentiments expressed by the Honourable Court of Directors, in paragraphs 39, 41, 63, and 64 of their general letter in the Political department, dated the 28th November 1821, and the objects noticed in the forty-first paragraph, as derivable from lending the credit of the Company to the Nizam's Government, instead of Messrs. Palmer and Co., *viz.* "that Government must have saved all that the house of agency may have gained, whilst we should have advanced both our interests and reputation, by a generous and successful endeavour to serve our ally in time of need," will be most effectually gained by a direct loan to the Nizam, at a very moderate rate of interest, sufficient to enable him to discharge the whole of the public debt contracted by his Minister with the house of William Palmer and Co.

21. It may therefore be confidently expected, that the exigencies of the Nizam's Government, and the impossibility of his being extricated from the increasing

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increasing demands, with accumulated interests, of the firm of Palmer and Co. (as forcibly set forth in the Resident's letter of the 8th September 1822*), will induce the Honourable Court to approve and confirm what has been done for the relief of the Nizam's Government from its pecuniary embarrassments, and thereby to promote essentially the objects of reform, which were proposed in the instructions to the late Resident at Hyderabad, under date the 22d January 1820, as well as enable the Minister to disengage himself completely from the burthensome and baneful connexion which has too long subsisted beween him and the house of William Palmer and Co., to the serious detriment of the interests of the Nizam's Government, and threatening absolute ruin by its continuance, as explicitly declared in the annexed extract from the Resident's letter before-mentioned.

22. This remark leads to the concluding subject of our late instructions to the Resident, on which I proposed to offer any distinct observation; but I must previously add to what I have stated on the subject of the proposed loan, that in preference to a loan from the Company, repayable in the manner above stated, from the peshcush and mortgage of territory, it might, I think, be advisable, with a view to the mutual interests and convenience of the Nizam and the Company, to revert to the suggestion contained in Mr. Fendall's Minute of the 21st May 1821 (which was supported by Mr. Adam's Minute of the 4th June following), *viz.* "that the Resident should propose to his High-"ness the Nizam a relinquishment of the annual peshcush of seven lacs "of rupees, paid by the Company for the Northern Circars, on condition "of receiving an immediate advance from the Company of the sum of a "crore of rupees, required for the use of the Nizam's Government."

23. I am aware that, at the time when this proposition for redeeming the peshcush was agitated, a question arose upon the legality of it, under the provisions of the statute 53 Geo. III., cap. 155, sec. 59, 60. But, in my humble judgment, the opinion of the Advocate-General, in answer to the reference made to him on the occasion, is sufficient to preclude any doubt upon this point; and at all events, whatever objection might be made, on this ground, to the appropriation of a crore of rupees, for redeeming the annual peshcush payable to the Nizam for the Northern Circars, would be, at least, equally applicable to the appropriation of a similar amount, as a loan to his Highness.

24. I am also aware that Chundoo Loll has shewn a disinclination to such an arrangement, as reported in paragraph 27 of the Resident's letter, under date the 8th September last; and perhaps it may not be now practicable. It is still possible, however, that the Resident may see an opening for the proposition; and in that case, it might, I think, be offered for the Minister's acceptance, on the grounds of its saving the necessity of an annual settlement of accounts, as well as superseding the assignment, and contingent occupation of the districts, to be given in mortgage; but, above all, as it would leave the Nizam's Government in full possession of the revenue of the districts proposed to be assigned for the discharge of the principal of the loan, and thereby materially facilitate the accomplishment of the plans of reform and improvement which have been undertaken by the Minister, in co-operation with the Resident, and have in view the important object of keeping down the future annual expenditure of the Nizam's Government within the amount of its resources, under a permanent and moderate assessment of the land revenue.

25. I

* This letter states, "a total of existing demands against the Nizam's Government of Rupees 1,29,39,078," of which Rupees 83,04,569 were the amount of "debt to Messrs. William Palmer and Co." according to accounts made up to the 20th July; and after exhibiting a statement of revenue and expenditure furnished by the Nizam's Minister, *viz.* revenues (including the Company's Peshcush) ..... Rupees 1,89,39,553
Expenditure, exclusive of interest on debt 1,75,11,400
The surplus applicable to charges of debt is computed to be ..... Rupees 14,28,153

The Resident adds, "this statement would not be discouraging, in the present prospect of the "country, if the British Government would relieve the Nizam's Government from its "embarrassments, or if money could be procured elsewhere on cheaper terms than those at "present existing; but in the actual state of the debt, with the circumstance of its overwhelmed "rate of interest, added to the improvidence of the Minister, there is, I think, no hope of "extrication. The most probable end, if matters went on in their present way, would be the ruin of "the creditors, as well as that of the Government and the Country."

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25. I will now conclude with a few words respecting the mercantile house of William Palmer and Co., but as the usurious nature and pernicious effect of their pecuniary transactions with the Nizam's Government have been fully discussed in the former and late correspondence with the Resident at Hyderabad, as well as in that which has taken place on the subject, between this Government and the Honourable Court of Directors, and as the license granted to them, under the provisions of the statute, 37 Geo. III., cap. 142, sec. 28, has been withdrawn by order of the Honourable the Court of Directors, it appears unnecessary to say more upon the general result of their establishment and transactions at Hyderabad, than that I am compelled, by the evidence of numerous public documents, to concur in the unfavourable sentiments entertained of it by the Resident, by the whole of the present Members of this Government, and by the Honourable the Court of Directors.

26. It would be invidious and painful to enter upon any separate consideration of the individual conduct of any member or members of the house, as connected with the affidavit of two of them, or with a presumptive combination, in collusion with the Minister, to lessen the salutary control of the Resident, and thereby thwart or impede his well-designed plans and endeavours for the correction of flagrant abuses, especially in the Revenue Department, with which the interests of the house are more immediately concerned. I have reluctantly joined in the sentiments upon those points, which a sense of duty has forced us to express in our late communications to the Resident, because as they are chiefly founded on presumption and inference, however strong such grounds of imputation may be, it is possible that, in truth, Messrs. William Palmer and Co. may be less culpable than, from the evidence before us, we conclude them to have been. With respect to the affidavit, in particular, I am not without hope, that the two Members who voluntarily made it before the Resident's Assistant, may be able to reconcile the apparent incongruities in it, which have been noticed in part of the instructions to the Resident, under date the 15th instant.

27. But whatever may be the result of a further investigation of this delicate and serious point of personal veracity and character, the facts on record, and admitted by Messrs. William Palmer and Co., respecting the loan of sixty lacs of rupees, sanctioned by this Government (on very imperfect, and, as has since appeared, delusive information) in July 1820, prove beyond all possibility of doubt, that their collective conduct in that transaction, especially as it respected the *concealed bonus* of eight lacs of rupees, was not only absolutely unjustifiable, but such as must ever prevent their again receiving any public confidence, had circumstances admitted of the continuance of their license.

28. I will not enlarge on this unpleasant topic, but judge it sufficient to refer to the Resident's despatches of the 29th July and 1st August 1822; to the letter written in answer, by order of the late Governor-General in Council, on the 13th September, which communicated to the Resident the surprise and displeasure of his Lordship in Council at the conduct of the house and Minister, affording strong grounds of presumption that they had been engaged in pecuniary transactions unknown to the Resident or British Government, as well as of the most culpable misapplication of the funds intended to have been raised by the loan of sixty lacs; and lastly, to the Resident's letter in reply to this communication, dated the 16th October 1822, with the accompanying defences of Chundoo Loll and Messrs. William Palmer and Co., both of which appear to me altogether insufficient and unsatisfactory. From the documents referred to, it appears that instead of an advance of sixty lacs of rupees, not more than twenty-three lacs, at the utmost, were actually advanced for the Nizam's use by the house of William Palmer and Co.; and there is even room to doubt whether the sum really applied to his benefit exceeded eleven lacs: that for this advance, besides interest at the rate of eighteen per cent. per annum payable half-yearly, they took, without the knowledge of the British Government, a bonus of eight lacs of rupees; and that there is reason to believe the amount so advanced might, at the same time, have been procured from native bankers, on the same security as that given to Messrs. Palmer and Co., at a rate of interest not exceeding twelve per cent. These facts speak for themselves, and require no comment.

29. I

29. I will only further observe, with reference to the Hyderabad banking-house in particular, but with a view to the general policy of restraining British subjects from usurious transactions at the court, or in the territory of any native Prince, such as appears to have been the intention of the Legislature in the statute 13 Geo. III, cap. 63, sect. 30, which expressly includes all "subjects "of his Majesty in the East-Indies" (whereas other parts of the act relate to particular provinces), it appears to me advisable to obtain from the present Advocate-General a more explicit opinion than what was given by his predecessor in July 1816, upon the application of the section above-mentioned to British subjects in the East-Indies, wherever resident. Mr. Strettel's opinion upon this point was stated incidentally, as connected with a question to him, whether there was any objection to a compliance with the application of Messrs. William Palmer and Co. to be allowed to form a mercantile establishment within the Nizam's dominions, under the licence provided for by the statute 37 Geo. III, cap. 142, sect. 28. After stating that he saw no legal objection to this measure, Mr. Strettel added, that it was proper to observe, "that although the 13 Geo. III, cap. 63, sect. 30, confined the penalty for "usury, in taking more than twelve per cent., to such as commit the offence "within the Company's settlements, he was by no means clear that it did "not avoid the security, although it be not given on the loan made within "the Company's settlements."

30. If this opinion should not appear to the other Members of the Government (as I confess it does not to me) sufficiently clear and decided, to warrant a restrictive construction of an important enactment of the Legislature, which in terms appears to include the whole of his Majesty's British subjects in every part of the East-Indies, I beg leave to suggest, that the requisite measures be taken for obtaining a further opinion from the present Advocate-General, who, in answering the reference, will of course advert to all the legislative provisions now in force that are connected with the question.

Fort-William, 24th January 1823. (Signed) J. H. HARINGTON.

(A.)—EXTRACT *of a Letter from the Resident at Hyderabad, dated 29th November* 1822.

Par. 4. Every community of States linked together by intimate intercourse, and forming, as it were, a distinct combination, separated from the rest of the world by natural boundaries, or by habits and opinions, or by other circumstances, seems to acquire for itself an international constitution, perhaps the best adapted to its peculiar predicament, and variable according to the revolutions which time effects in all things. That of the European community seems to be founded on the basis of a balance of power, for the preservation of which so many wars and negociations have taken place. The States of India want the materials for such a constitution. That towards which they have latterly tended, which seems necessary for their tranquillity and safety, and appears now to be consummated under the patronage of the British Government, is the supremacy of one great State overawing and protecting all the others. This is a favourable modification of the Imperial monarchy which before prevailed; and terrible has been the anarchy which, between the downfall of the one and the elevation of the other, has scourged the plains of India. The minor States now in existence have always been preserved by submission to the ruling power for the time being, and have willingly transferred to our supremacy the allegiance which they before professed to the dominion of the Great Mogul. Accordingly, in all the treaties which I had the honour of concluding with such States, in 1817 and 1818, our supremacy and their dependence are declared in the plainest language.

5. Power at all times is liable to abuse; but that which is exercised under avowed political supremacy, need not be more so than power under any other shape or name: nay, when it is acknowledged to be attended by duties of a paternal kind, it might be hoped that a sense of those duties would rather tend to mitigate the selfishness of human nature, and qualify the tendency of might towards oppression. I beg that I may not be considered as an advocate for any system or principle, which can be supposed to make the existence of

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strength or superiority singly sufficient for any exertion of our will. Unless our will be exerted from just motives, for good purposes, and on valid grounds, its exertion would undoubtedly be tyranny, such as I abhor. His Excellency the Governor-General in Council has not under his orders a servant more deeply impressed than I am, with a religious belief, that we are bound to respect the rights and interests of the powers entrusted to our protection, with a parental regard, not coldly and politically, but warmly, kindly, and affectionately.

6. If it be true, that we exercise supremacy, avowedly or unavowedly, throughout India, it is not less so, that we do it, and have long done it, in the particular case of our ally the Nizam. He is not allowed to form any political connections, nor to adopt any measure of foreign policy without our sanction and guidance, while we are free to make peace or war, allies or enemies, in any part of the world, without consulting him, although he may be involved, immediately or eventually, in the consequences of our measures. Even with respect to internal affairs, we stipulate (I allude to past events), that the Minister of his choice shall have no share in the administration, and that the subordinate Minister of our adoption shall exercise exclusive power in the State. Our troops occupy his Highness's country and the vicinity of his capital, while another army, nominally his, is officered by gentlemen recommended by our Representative. Internally, as well as externally, his Highness's Government is under our protection. If this be not undisguised supremacy, in what does it consist? It is also most probable, and seems certain, that without our support, his country must have fallen a prey to Tippoo or the Mahrattas, or the Pindarries, or some successful adventurer; and it appears from the records of this Presidency, that the grant of a subsidiary force for the protection of this State against such dangers, was assiduously sought for a considerable time before we acceded to the proposition. The unavoidable consequence of such complete dependence on the one hand, would seem to be acknowledged supremacy on the other.

7. Supposing this condition of relative supremacy and dependence to be in undoubted existence, it did appear to me to be a legitimate conclusion, that the people were entitled to our protection against grievous oppression on two grounds; first, because the balance between prince and people, usually existing in independent States, was destroyed by the intervention of our foreign army; and secondly, because the country was despotically governed by a creature of our will, supported by our power.

10. A system of non-interference, founded on regard for the rights of an independent sovereign, if practicable, under the circumstances of our intimate connection with the Nizam's Government, would have great and decided advantages, and is that, I conceive, which we ought to endeavour to establish; provided always that the irresistible strength which our protection affords to the Government be not converted to the oppression of the people.

11. A system of interference for the protection of the people against oppression, confined to that object and founded on necessity and political supremacy, which is in fact the system on which I have been acting under the supposition of its being the one adopted by his Excellency the Governor-General in Council, has also great advantages in the good which it effects. It is the application of paramount power for the relief of suffering humanity. This system embraces the welfare of the people, as the real welfare of the State and of its rulers. If it be objectionable, on the ground of its invading the independence of the sovereign, it is surely less so, in a case wherein his independence has been already destroyed.

(B.)—EXTRACT *of a Letter from the Court of Directors to the Governor in Council at Bombay, dated 1st March* 1820.

Par. 5. We have had occasion repeatedly to caution you against any further interference in the internal affairs of the native States with which we are connected by alliance, than may be necessary to secure fidelity to their engagements with us, and to maintain our own just rights. The loans which were made by the Guicowar Government under the Company's guarantee, entitled us to exercise a power of control, almost unlimited, over the public resources of the State,

State, because they were pledged for the fulfilment of the pecuniary obligations to which we were parties. But we have always been desirous that our interference, even under these special circumstances, should be restricted to providing for our own security, and that this degree of interference should be discontinued as soon as possible after the occasion for it has ceased.

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6. We cannot but be of opinion, that the organization of courts of justice, and the general superintendence of the administration of justice and police within the Guicowar territories, do not fall within the restriction, and are therefore duties certainly not incumbent upon the Company, and which our Resident is not even justified in undertaking. We would not be understood as wishing to restrain him from privately giving his advice upon questions of internal policy, on any occasion on which he may be consulted by the Government of our ally; but he should carefully avoid all authoritative, or even official interference, in matters not within his province. The good government of the extensive territories immediately subject to our dominion, may well afford us sufficient occupation. We are not called upon to impose upon ourselves the task of correcting abuses for which we are not answerable, and to which our authority does not extend.

EXTRACT *from the* MINUTES *of the* COURT OF DIRECTORS, *The 3d December* 1823.

Minute of the Court of Directors, 3 Dec. 1823.

The Chairman from the Committee of Correspondence laying before the Court paragraphs for Bengal in the Political Department, in reply to letters from the Governor-General in Council dated the 20th and 28th December 1822, and 25th January 1823, reporting the correspondence and proceedings in regard to the pecuniary transactions between the Government of his Highness the Nizam and the house of Messrs. William Palmer and Co. at Hyderabad, subsequently to the despatch of the previous letter on the same subject, dated the 16th December 1820;

Ordered, That the said paragraphs be taken into consideration on Friday, the 2d January next, and that the Court be specially summoned for that day.

EXTRACT *from the* MINUTES *of the* COURT OF DIRECTORS, *The 23d December* 1823.

Minute of the Court of Directors, 23 Dec. 1823.

The consideration of the paragraphs for Bengal in the Political Department, laid before the Court on the 3d instant, respecting the pecuniary transactions between the Government of his Highness the Nizam and the house of Messrs. William Palmer and Co. at Hyderabad, which was fixed for the 2d January next, was postponed until Wednesday, the 7th of that month, and the Court ordered to be specially summoned for that day accordingly.

EXTRACT *from the* MINUTES *of the* COURT OF DIRECTORS, *The 7th January* 1824.

Minute of the Court of Directors 7 Jan. 1824.

The Chairman calling the Court's attention to the order of the day for taking into consideration the paragraphs for Bengal in the Political Department, respecting the pecuniary transactions between the Nizam and the house of Messrs. William Palmer and Co. at Hyderabad;

And the said paragraphs being read, it was moved, "That this Court approve "the said paragraphs:" whereupon,

It was proposed to amend the said motion, by leaving out all the words after the word "that," for the purpose of inserting the following, viz. "the consideration of the said paragraphs be postponed to Wednesday, the 14th "instant."

And

Minute of the Court of Directors, 7 Jan. 1824.

And the question, "That the original words stand part of the question," being put by the ballot;

It passed in the Affirmative.

The Court thereupon proceeded to the consideration of the paragraphs: and after a debate of considerable length;

It was, on the main question, Resolved, That this Court approve the said paragraphs.

Draft of two additional paragraphs, acknowledging the receipt of several letters on the pecuniary transactions of the house of Messrs. William Palmer and Co., which letters arrived since the paragraphs abovementioned were prepared, was likewise read and approved.

Political Letter to Bengal. 21 Jan. 1824.

POLITICAL LETTER *to* BENGAL,
Dated 21st January 1824.

1. Our last despatch in this department was dated the 10th ultimo.

2. We now reply to your letters in the same department, dated the 20th and 28th December 1822, and 25th January 1823, reporting your correspondence and proceedings, in regard to the pecuniary transactions between the Government of his Highness the Nizam and the house of Messrs. William Palmer and Co. at Hyderabad, subsequently to the despatch of your previous letter to us on the same subject, dated the 16th December 1820.

3. Before entering on the subject, however, we must notice a very improper delay in bringing on record a number of important documents. The letters and minutes noted in the margin;* dated between the 17th March and 15th August 1821, and in the instance of one letter, so far back as the 26th October 1819, were not recorded on your Consultations until the 13th September 1822. For this delay, by which we have been kept ignorant, during a considerable time, of discussions of which we ought to have been early informed, no satisfactory reason has been given, and we desire that a similar irregularity may not again occur.

4. In replying to the letters now before us, we shall, for the sake of perspicuity, arrange the details they contain, and the considerations they suggest, under the following general heads:

1st. The execution of our instructions of the 24th May 1820 and the 28th November 1821.

2d. Pecuniary transactions of Messrs. William Palmer and Co. with the government of his Highness the Nizam, and other circumstances relating to that house, with which we were before unacquainted.

3d. Charges preferred against the present Resident at Hyderabad by the Nizam's Minister, Rajah Chundoo Loll, and recrimination against the Minister, and the house of Messrs. William Palmer and Co. by the Resident.

4th. State of the Nizam's finances, and how they seem to have been affected by the pecuniary transactions between his Highness's Government and the house of Messrs. William Palmer and Co.

5th. Official proceedings of the Resident at Hyderabad, having for their object the reform of the Nizam's administration, and the correspondence and discussions which have taken place on the means of relieving the State of Hyderabad from its embarrassments: and,

6th, General

* Letter from the Governor-General to the Resident at Hyderabad, dated 26th October 1819; Letter from the Resident at Hyderabad to Mr. Secretary Swinton, dated 17th March 1821; Ditto, 5th April 1821; Ditto, 14th ditto; Minute by the Governor-General, dated 3d May 1821; Ditto, Mr. Adam, 12th ditto; Ditto, Mr. Fendall, 21st ditto; Ditto, Governor-General, 27th ditto; Ditto, Mr. Adam, 4th June; Ditto, Mr. Fendall, 7th ditto; Ditto, Mr. Adam, 13th ditto; Ditto, Mr. Fendall, 15th ditto; Letter from Mr. Secretary Swinton to the Advocate-General, 16th ditto; Letter from the Advocate-General to Mr. Secretary Swinton, 15th August.

6th. General considerations affecting our practical policy in regard to that and other States, which the proposed review, taken in connexion with the information furnished by the late and present Residents, may suggest.

Political Letter to Bengal, 21 Jan. 1824.

1st. *The execution of our instructions of the 24th May* 1820, *and 28th November* 1821.

5. Our orders of the 24th May 1820 were interpreted by you as not having been intended to prohibit transactions, purely commercial, between the house of Messrs. William Palmer and Co. and the Nizam's Government, reference being had to the judgment of the Resident as to the real character of the transactions. Our object was to prohibit all transactions between that house and the Nizam's Government, which, unless under your special licence, were prohibited by law. And, from the experience you have had of the house of Messrs. William Palmer and Co., we are quite sure you will see the propriety of looking at their transactions, be they denominated how they may, with considerable jealousy, and of instructing the Resident to take care that our orders are not evaded, and the law infringed, under any pretence whatever. Usurious loans are often cloaked under commercial transactions; and Messrs. William Palmer and Co., in their letter to the Resident dated the 14th October 1822, describe themselves as large dealers in jewels, and as having supplied the Government of Hyderabad with this article, its consumption of which they state to have been very great.

6. We regret exceedingly that Mr. Russell had quitted his station before receiving your Secretary's letter of the 15th December 1820, because, in consequence of that circumstance, we have never received the information called for in paragraph 9 of our despatch, dated the 24th May 1820, *viz.* "Whether the "Resident had availed himself of the power reserved to him, of acquainting "himself constantly and thoroughly with the nature of the pecuniary transac- "tions of the house with the Nizam's Government." That he at least failed in regularly and particularly reporting them to your Government, is but too abundantly manifest.

7. Our despatch of the 28th November 1821 reached you on the 2d May 1822, and it was not until the 7th June that you took the first step for carrying into effect the orders which it conveyed.

8. At the time of writing the seventy-eight paragraph of that despatch, we concluded that the arrangement between the Nizam's Government and the house of Messrs. William Palmer and Co., for the payment of the troops in Berar, had ceased, from the period at which the house received notice of your licence being withdrawn, which must have been about the end of the year 1820. We now, however, perceive with concern, that that arrangement, notwithstanding the declared readiness of the house to relinquish it in the preceding month of October, and in disregard of the heavy burthen which it imposed on the Nizam's Government, had, contrary to law, continued in operation until July 1822, and that even then the Resident was importuned by the house to allow of its being continued four or five months longer. Indeed, if we can judge from the tone of Mr. John Palmer's letter to the Marquis of Hastings of the 14th July 1822, the house at Hyderabad seem to have been as much taken by surprise by the communication of our orders of the 28th November 1821, as if our previous orders of the 24th May 1820 had never been imparted to them.

9. The Resident having very properly insisted on the immediate termination of the Aurungabad arrangement, in so far at least as respected further advances from the house for the payment of the troops, we forbear from making any remark on the terms of your communication to Sir Charles Metcalfe of the 17th July 1822, conveying an assurance (which could not with propriety be repeated now), that excepting with reference to the pecuniary transactions with the Nizam's Government, the countenance of the British Government had not, in any degree, been withdrawn from the house.

10. We are sorry to observe, however, that even as respects the Aurungabad arrangement, the account between the Government and the firm did not close with the cessation of advances on the part of the firm; and that arrears alleged to be due to the house, bearing a ruinous rate of interest, continued to increase

Political Letter to Bengal, 21 Jan. 1824.

the Nizam's debt, long after the pecuniary transactions between them appeared to terminate. Messrs. William Palmer and Co., in their letter to the Resident dated 3d July 1822, say, "We beg to submit to you that there is a large "balance due to us from the Nizam's Government, for the payments already "made within the year." The amount of the sum due was not mentioned in that letter: and here we cannot help observing, that the reluctance to specify particulars and to deliver accounts, manifested, until lately, both by the house and the Minister, tends to excite a suspicion, that illicit transactions were still going on which both parties wished to conceal. Supposing, indeed, Sir Charles Metcalfe, in his letter to your Secretary of the 5th July 1822, to have given a correct account of the mode in which the troops were paid by the house, it is not easy to see how there could have been a considerable balance due to them at any given period. "The business of the house in general," under this ar- "rangement," he observed, "was to receive and disburse the revenues of the "districts on which they had assignments. They did not consider themselves "as bound to furnish funds if the revenues failed; and twice during last year "they declared a stoppage of payment from want of assets. I was, in the last "instance, compelled to authorize the Paymaster to draw from the Residency "Treasury. The payments of Messrs. William Palmer and Co. were resumed "after a short interval, and the advances from the Residency Treasury repaid "by the Nizam's Minister." It would appear, however, that this was not the mode in which the business was *invariably* conducted, and that arrears have accumulated to a large amount. Hence we have the mortification of finding, that our orders of the 24th May 1820, had not taken complete effect, in regard to the only *past* transaction to which they were absolutely and immediately applicable.

2d. Pecuniary transactions of Messrs. William Palmer and Co., with the Government of his Highness the Nizam, and other circumstances relating to that house, with which we were before unacquainted.

11. Highly unfavourable as were our impressions respecting the pecuniary transactions of the house of Messrs. William Palmer and Co. with the Government of his Highness the Nizam, when our despatch of the 28th November 1821 was written, we have had the additional mortification of finding, from your late advices, that we had formed a very inadequate conception, both of the nature and the extent of those transactions.

12. In the letter from Messrs. William Palmer and Co. to the Resident at Hyderabad, dated the 15th January 1821, seven pecuniary transactions with the house are enumerated (amounting in the aggregate to about fifteen lacs of rupees), to which the Nizam's Government might be considered as a party. They are described as loans or advances made by the house to individuals, at the desire, or under the guarantee, of his Highness's Government. No information is given as to the time at which they took place, or the terms on which they were made; nor is it stated whether it was the fault of the house, or of the late Resident, that they were not sooner reported to you. We are greatly surprised, therefore, to observe that, instead of calling for information regarding these particulars, you should have passed over the transactions, without any other observation than that they appeared to be consonant to the "principles which had "the general assent of the Government."

13. In the ninth paragraph of your letter of the 20th December 1822, you draw our attention to an examination, in Council, of Mr. John Palmer of Calcutta, concerning a report that Mr. Russell, the Company's late Resident at Hyderabad, had been a partner in the house of Messrs. William Palmer and Co., and to an affidavit of Mr. William Palmer and Sir William Rumbold, purporting to declare the names of all the partners in the firm. This examination took place on the 10th May 1822, eight days after the receipt of our despatch dated the 28th November 1821. The object of requiring the attendance of Mr. John Palmer seems to have been to afford him an opportunity of giving evidence that he had heard such a report respecting Mr. Russell, and that he had mentioned it to the Marquis of Hastings, and thus to account for the examination of Sir William Rumbold in Council on the 9th October 1819 (the suppression of which was severely animadverted on in our despatch of the 28th November 1821),

1821), leaving it to be inferred, we presume, that the last-mentioned examination related not to the pecuniary transactions of the house, but to the report in regard to Mr. Russell. If it was intended completely to establish the connexion of the conversation which passed between the Marquis of Hastings and Mr. John Palmer with the examination of Sir William Rumbold, Mr. John Palmer should have been interrogated as to the time at which the conversation in question had taken place; for if it did not take place on the 8th October 1819, the day previous to Sir William Rumbold's examination, the connexion is not established. Admitting, however, that the conversation between the Marquis of Hastings and Mr. John Palmer did lead to the examination of Sir William Rumbold, we cannot the less disapprove of the suppression of that examination. Wherever concealment is practised, the party practising it cannot reasonably complain of the inference (even though erroneous) which may be drawn from it, inasmuch as he was not only competent, but bound in duty, to have precluded such erroneous inference, by a candid disclosure of the facts of the case.

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14. With respect to an affidavit which the deponents had an evident interest in making, and which would not subject them to a penalty in the event of its being disproved, it could not, under any circumstances, be accounted of much value. In the present instance, it is of no value whatever; and if the persons who subscribed the affidavit had consulted what was due to their characters, they never would have resorted to this proceeding. Sir Charles Metcalfe, in his letter dated the 16th October 1822, pronounced (and as since appears, most justly) the affidavit "a deception." He then stated, that "the partnership of "Doctor Currie" (surgeon to the Residency, whose name was not in the list of partners contained in the affidavit) "had never been a secret; that he had "belonged to the firm from the time when it assumed the denomination of "Messrs. William Palmer and Co., and probably from an earlier period; and "that his interest in it had been advertised in a Madras newspaper, as having "ceased in January 1821 or 1822." The partnership of Mr. Currie was, notwithstanding the affidavit, subsequently acknowledged by Mr. William Palmer; and though Mr. Palmer declined giving the information called for in the fourth paragraph of your Secretary's letter to Sir Charles Metcalfe, of the 30th November 1822 (a circumstance which, Sir Charles Metcalfe justly observes, is conclusive as to the character of the affidavit), the Resident was enabled to inform you, in his letter of the 20th December, that Mr. George Rumbold, a brother of Sir William Rumbold, had also been a partner in the house, besides receiving an allowance of one thousand rupees per mensem from the Nizam's Government, till the day of his death. Sir Charles Metcalfe adds: "Rumour speaks "loudly of large pecuniary benefits derived, in some way, from the Nizam's "Government by Sir William Rumbold individually. Having no proof at "command of the fact, I have hitherto refrained from noticing the report; "but as it is now established that his brother received a monthly allowance, "I see reason, more than ever, to credit what is generally asserted respecting "himself." It is difficult to believe that Mr. Russell could have been ignorant that Doctor Currie and Mr. George Rumbold were partners in the house; and we are unwilling to suppose that, knowing it, he should have concealed or connived at it.

15. In Sir Charles Metcalfe's subsequent letter of the 24th December 1822, after asserting that persons officially attached to the Residency had been engaged with the concern, he expressed a hope that this general assurance would be sufficient, and that he should not be required to bring forward the names of the individuals alluded to; adding, nevertheless, that the information should be furnished, if considered indispensably necessary. We consider it to have been an overstrained and false delicacy, which could lead Sir Charles Metcalfe to convey imperfect information on such an occasion. Justice to the characters of all those who have been attached to the Residency, and the public interests, equally demand that the names of the individuals charged, and the evidence on which the charges rest, should be specified. Deeming it, therefore, of great importance that no unfounded suspicion should attach to the innocent, and that those who may have been guilty of a breach of honour and trust should, for the sake of example, be held up to public obloquy, we highly approve of your determination

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determination to prosecute this inquiry, and of the instructions conveyed to the Resident in your Secretary's letter of the 15th January 1823, calling upon him to reveal all that may have come to his knowledge, regarding the malversation or corruption of any person connected, whether with the late or present Residency.

16. Sir Charles Metcalfe having, in obedience to your instructions of the 19th November 1822, called upon Messrs. William Palmer and Co., on the 13th December, to furnish a complete account-current of their pecuniary dealings with the Nizam's Government, and also a detailed account of the loans made by them to several officers of that Government, they remonstrated against this requisition, as likely to prove injurious to their credit, reminding him that the Aurungabad accounts had been returned to them on their representation. You very properly, however, insisted on their compliance with this requisition without further demur; observing, that concealment implied a violation of their engagement, necessarily subjecting them to the penalties of the law, and that to the omission to examine the Aurungabad accounts were to be ascribed the perplexity and obscurity in which those accounts were involved.

17. Considering the deceptive affidavit voluntarily tendered by Mr. William Palmer and Sir William Rumbold, and the delusive character of other statements furnished by the house, we are afraid that little reliance can be placed on the account-current which may be prepared by them in compliance with your requisition. In order to obtain full and satisfactory information respecting their pecuniary transactions with the Government, it is necessary that the books of the house should be submitted to the inspection of the Resident. It having been an express condition of the licence originally granted to the house, that the Resident should have an opportunity of making himself acquainted with the nature of the pecuniary transactions with the Government which should take place under the licence, the house cannot reasonably object to any proceeding, which may be deemed indispensable for his information: and, we repeat, that after what has taken place, no documents, other than their books of accounts, can be at all depended upon.

18. It appears from the documents before us, that the advances made by Messrs. William Palmer and Co., for the payment of the Nizam's troops in Berar, bore an interest (including commission) of two per cent. per month; that when Messrs. William Palmer and Co. were lending money to the Nizam's Government at twenty-four per cent. interest, they had money in their hands from natives (supposed, however, by the Resident to have been floating balances, demandable at pleasure) at twelve and even nine; that the nominal loan of sixty lacs, contracted for with that house in May 1820, was in reality a contract for only fifty-two lacs, there having been a bonus of fifteen and three-quarters per cent., or eight lacs of rupees, allowed to the house, thus raising the rate of interest on the fifty-two lacs to twenty and three-quarters per cent.; that the sum, however, actually advanced was not fifty-two lacs, but thirty-eight lacs according to one statement, and only twenty-two lacs according to another; and that, according to the Minister's own shewing, "a real loan of eleven lacs would have done as much in the way of reduction, as a nominal one of sixty," the difference between the sum advanced and the fifty-two lacs being old debt transferred to a new account; that by this management, the house contrived to get the sanction of your Government to a debt, the existence of which was not known when that sanction was given: that they are in the habit of shifting sums from one account to another, as suits their purpose; that besides the Aurungabad arrangement, and the loan of sixty lacs (the only two transactions of which you were cognizant), and besides also the pecuniary advances to individuals before noticed, made under the guarantee of the Nizam's Minister, there was an account between the House and the Minister, called the twenty-five per cent. interest account, on which the house claim a balance of about twenty-eight or thirty lacs; that instead of the sixty lac loan being now more than half paid off, as it ought to have been, according to the terms of the contract, and all the other money accounts between the Nizam's Government and the house brought to a close, the total debt due by his Highness's Government to the house had, in August 1822, amounted to the enormous sum of ninety-three lacs, and that, in December 1822, it had accumulated to about ninety-six lacs; that, in

in addition to the exorbitant rates of interest charged by the house on their pecuniary advances to the Government, or as Rajah Chundoo Loll expressed it, the overwhelming amount of their *interest upon interest, interest upon interest*, Mr. William Palmer and his family received an annual allowance from the Nizam's Government of Rupees 64,000, under the futile pretence of Mr. William Palmer being an old servant of the Nizam; and that a new bazar had, by the permission of the Minister, been erected on the grounds of Sir William Rumbold, which commonly went by his name, and that lighter duties were paid at this than at the old bazar, until, in consequence of a representation from the shopkeepers of the Residency bazar, that they should be ruined by this preference, an equalization of the duties was, with some difficulty, effected at the instance of Mr. Metcalfe.

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19. We cannot look at these transactions, in so far as regards the house of Messrs. William Palmer and Co., without feelings of disgust and indignation. With reference to the interests of our ally, they excite shame and sorrow; and, in so far as they have been countenanced, or not controlled and checked by our Government or the late Resident, they are matter not only of the deepest concern and regret, but of our most decided censure and condemnation.

20. The account given in paragraphs 63 to 89 of Sir Charles Metcalfe's letter of the 30th September 1822, of the power possessed and exercised by the house, making every allowance for the feelings under which that letter was written, we have read with utter astonishment.* It thence appears that, whether truly or otherwise, Rajah Chundoo Loll was firmly persuaded that the house of Messrs. William Palmer and Co. were enabled, by means of their influence at Calcutta, to frustrate any plan for the good of the country devised by the Minister and recommended by the Resident, if it was not exactly consonant with their interests; nay even (for we can put no other construction on the passage) that the house could induce† the Supreme Government of India not to insist on the execution of instructions issued in obedience to our authority: that, if Rajah Chundoo Loll was to be believed, the loan of sixty lacs‡ and the Aurungabad arrangement never had his cordial assent (neither having been deemed by him advantageous to the Nizam's Government), and that, in assenting to them, he had yielded to a power which he could not withstand, though he declined to specify its character, or to explain the mode of its operation: that, according to report,§ a person had, at the recommendation of the house, been nominated to the charge of rich districts on which Messrs. William Palmer and Co. had large assignments, and from which he was eventually removed, because of his extortions, after quarrelling with them; and that Rajah Chundoo Loll accounted for his having made this appointment, from the apprehension that, through the interest of the house, he would otherwise have been turned out of office, to make room for this person as Minister: that the Minister's word was not, indeed, to be relied on, but that Sir Charles Metcalfe's conviction‖ of his real sentiments rested less on what the Minister told him, than on his own observation: that the house¶ "sent their badged Chupprasses through the country, with as much "effect as if they were Government officers, and acted with the double force "of the Nizam's Government, and the influence of the British name," in one instance, to Sir Charles Metcalfe's own knowledge, levying a debt not originally due to them, but transferred to them by the right owner, when he considered it as hopeless, for the purpose of being realized on terms agreed upon between them; and, in another instance, as Sir Charles Metcalfe had heard, protecting one of the first nobles of the State** against all demands but their own, whilst they enabled him to exact a payment from one of his own relations, which he could not otherwise have obtained: that Sir Charles Metcalfe had seen†† the jagheer of one of the highest nobles of the State seized and sequestered, in satisfaction of their demands, which though, in Sir Charles Metcalfe's opinion, not improper, would not have been done for any other merchants in the land: that there was a prevalent belief of their having a strong influence in the British Government,‡‡ and of Rajah Chundoo Loll being persuaded that he holds his place by their protection: in fine (omitting, as resting on more questionable evidence, a number of other remarkable circumstances of similar import stated by

* Pars. 66 and 67. † Par. 68. ‡ Par. 69. § Par. 70. ‖ Par. 71. ¶ Par. 72. ** Par. 74. †† Par. 75. ‡‡ Par. 77.

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by Sir Charles Metcalfe), "that by the common people throughout the country, "the house is identified with the British Government,* and the revenues which "are poured into their coffers are considered as so much tribute to our treasury."

21. A representation of this sort, accompanied with all the cautions with which it was submitted by Sir Charles Metcalfe, and received with all the reserve which these cautions suggested, surely required prompt and very different notice from that which was bestowed upon it. Sir Charles Metcalfe's letter of the 30th September 1822 was not replied to until the 13th November, and the following were the terms in which this part of the communication was adverted to by you. "His Lordship in Council deems it unnecessary to enter "at large upon the subject discussed in your despatch, of the supposed undue "influence of the house of Messrs. William Palmer and Co. over the Minister, "and the general impression said to prevail with regard to the identification of "that house, and their acts, with the British Government. These questions "will be taken up with more advantage, when the fuller information lately "called for, with regard to the conduct and proceedings of the house in its "dealings with the Nizam, shall have been obtained, and when the general "settlement of those dealings shall become the subject of deliberation." The tone of this reply was very ill suited to an occasion where the credit of the British Government was so deeply at stake, and affords a singular contrast to the anxiety manifested in your Secretary's letter of the 17th July 1822, when apprehensions were entertained respecting the credit and stability of the house of Messrs. William Palmer and Co., to cause a formal communication to be made to Rajah Chundoo Loll, that with exception to the pecuniary transactions therein alluded to, "the countenance of the British Government had not, in any "degree, been withdrawn from the house." Indeed, when we reflect that this assurance was in full force at the time when Sir Charles Metcalfe's representation was made, we cannot much wonder at the notions which were entertained of the influence and power possessed by the house, although our wonder is great, that immediate steps were not taken to correct those notions, as soon as their prevalence was made known to you.

3d. Charges preferred against the present Resident at Hyderabad, by the Nizam's Minister, Rajah Chundoo Loll, and recrimination against the Minister and the house of Messrs. William Palmer and Co. by the Resident.

22. In the sixty-sixth and following paragraphs of your letter, our attention is drawn to a proceeding, in which one or more of the partners of the house of Messrs. William Palmer and Co. were implicated, and which, from its importance, merits a distinct notice.

23. On the 24th August 1822, translations of letters and other Persian documents from Rajah Chundoo Loll, to the address of the late Governor-General said to have been forwarded to his Lordship by Mr. William Palmer, through Mr. John Palmer of Calcutta, were laid by the Marquess of Hastings before the Council Board. Rajah Chundoo Loll complains, in his letter, of Sir Charles Metcalfe's want of confidence in him, and his unfriendly disposition towards him, and of his apprehension that Sir Charles Metcalfe was countenancing intrigues for his removal from office; and in a note, purporting to have been addressed to Lieutenant Barnett, Assistant to the Resident (which note accompanied the letter), after recounting his services as Minister, he submitted a plan for paying off the debt due to Messrs. William Palmer and Co., and urged the discontinuance, on the part of the British Resident, of further interference in the internal affairs of the country.

24. In answer to these complaints, Sir Charles Metcalfe, in his letter of the 30th September 1822, admitted that the Minister did not possess his confidence, because he did not deserve it, but disavowed entertaining any unfriendly disposition towards him; pointedly denied being even aware of any intrigue against him; declared that he could not account for the Rajah's complaints, otherwise than by ascribing them to dissatisfaction at the openness with which, on all occasions, he (Sir Charles Metcalfe) had given his opinions regarding the proceedings of the Minister; and retorted upon the Rajah the fact not only of

* Par. 84.

of his having given exaggerated accounts of the good he had done, but of having evinced a disposition secretly to counteract measures of reform, in which he publicly professed to co-operate. The plan for paying off the debt due to the house, Sir Charles Metcalfe characterized as an attempt to procure "an "advance of thirty-five lacs from the British Government, for the benefit and "convenience of Messrs. William Palmer and Co.," and with respect to the complaint of interference in the internal affairs of the Nizam's Government, the Resident was satisfied, from a private conversation with the Minister, that no importance was attached to it, and that the Minister "had been instigated "by others in preparing the note" to Lieutenant Barnett, wherein the complaint was made. Indeed, Sir Charles Metcalfe, in the fortieth paragraph of his letter of the 29th November 1822, declared his "solemn conviction, that "the Minister's representation to the Governor-General proceeded from his "connexion with Messrs. Palmer and Co., was a consequence of their "influence over him through the persuasion of their influence in the British "Government, and was instigated or encouraged by them or their emissaries "and partisans," and that the object of the representation was to effect Sir Charles Metcalfe's removal from the Residency. A deliberate conviction, to the same effect, on the part of the present Governor-General in Council, was expressed in your Secretary's letter to Sir Charles Metcalfe, dated the 15th January 1823.

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25. After carefully perusing the letters from Sir Charles Metcalfe to Mr. Swinton, dated the 3d September, the 30th September, the 7th October, and the 6th December 1822, and also your replies, dated the 25th October and 13th November, together with the Minutes on the subject recorded by the late Governor-General and Members of Council in November 1822, we cannot doubt for a moment that the partners in the house of Messrs. William Palmer and Co. did, without the knowledge of the Resident, hold communication with the Minister on matters of state; and that one of the partners (Mr. William Palmer, according to the Marquess of Hastings' account, and Sir William Rumbold, as Sir Charles Metcalfe asserts) did, in a clandestine and most irregular manner, convey a letter of complaint against the Resident from the Minister to the Governor-General, the tendency and (as there is strong reason to believe) the concerted object of which was, to induce the Governor-General to withdraw his confidence from the Resident.

26. It is hardly necessary for us to observe, that a proceeding of this nature, on the part of the house, was in the highest degree indecent and mischievous; and that it would have warranted a declaration, on your part, that the house had, by this misconduct, forfeited the countenance and protection of the British Government. But a more indulgent course was observed in regard to them.

27. The first notice taken of this bold and most unwarrantable proceeding was in a letter from the late Governor-General to Rajah Chundoo Loll, dated the 24th August 1822, where it was adverted to in the following terms: "The "Resident has been directed to apprise you of the entirely favorable disposi-"tion of this Government to the house, regarding what are purely commercial "concerns, but it must not interfere in politics." In your Secretary's letter to Sir Charles Metcalfe of the 25th October 1822, he was chidden for "indulging "in an exaggerated sensitiveness" on the subject. And after Rajah Chundoo Loll had admitted to the Resident that the house had instigated his complaints to the Governor-General, there was not only a manifest disposition in the letter from your Secretary to the Resident, dated the 13th November 1822, to disregard the testimony of the Rajah (which must be admitted to have been contradictory) as to that particular, but a decided indisposition to consider the house at all culpable, as if their interference in matters of state was not a substantive offence, independently of the charge preferred against them by the Resident, and supported by strong presumptive evidence, that they were the prime movers in a scheme, if not for his removal, at least for bringing him into discredit with the Governor-General; and notwithstanding what had taken place, the house were permitted, for some time longer, to hold unrestrained communication with the Minister without the intervention of the Resident, it having been

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been thought that the continuance of this direct and unrestrained intercourse "would facilitate the winding up the mutual concerns of the house and the "Nizam's Government."

28. We are happy to find, by your Secretary's letter to Sir Charles Metcalfe of the 15th January 1823, that the present Government have not only stamped the conduct of the house with their decided reprobation, but interdicted all direct communication between the Minister and the members of the firm.

4th. The State of the Nizam's Finances, and how they seem to have been affected by the pecuniary transactions between His Highness's Government and the House of Messrs. William Palmer and Co.

29. Whilst transactions and proceedings of so profligate a character as those to which we have adverted were going on, it was to be expected that a marked decline in the affairs of the State would bear testimony to the blind improvidence and scandalous prodigality with which they were administered. Accordingly we find that, whilst loans and advances were making at Hyderabad, professedly for the Nizam's benefit, and whilst questions were diligently and zealously agitated at Calcutta of what could be done for his relief, his financial difficulties increased from year to year.

30. In October 1819, the late Resident at Hyderabad, in compliance with a requisition from the Government, transmitted the following statement of the receipts, disbursements, and debts, of the Nizam's Government, from 1807-8 to 1813-14, the latest period to which, according to Mr. Russell, the accounts had been made up.

1807-8:	Disbursements ..... Rupees	1,90,99,307	
	Receipts	1,85,58,321	
	Deficit ..... Rupees		5,40,986
1808-9:	Disbursements	1,95,57,137	
	Receipts	1,86,05,974	
	Deficit		9,51,163
1809-10:	Disbursements	2,01,27,518	
	Receipts	1,85,97,340	
	Deficit		15,30,178
1810-11:	Disbursements	1,96,01,116	
	Receipts	1,89,91,530	
	Deficit		6,09,586
1811-12:	Disbursements	1,94,85,359	
	Receipts	1,93,66,817	
	Deficit		1,18,542
1812-13:	Receipts	2,03,22,848	
	Disbursements	1,99,85,024	
	Surplus		3,37,824
1813-14:	Receipts	2,03,64,127	
	Disbursements	2,02,03,687	
	Surplus		1,60,440

31. The foregoing statement professed to exhibit the amount of the net collections of every description made by the Government, after deducting, not only all the charges of collection, but also the choute paid to the Mahrattas, the commission of three annas on the Rupee levied for the Dewan, and the half anna on the rupee levied for the Peshcar.

32. Mr. Russell, at that time, computed the Nizam's public debt at about fifty lacs, and his private treasure at about a crore and a half, besides jewels, probably equal in value to those of any sovereign in the world.

33. It

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33. It is remarkable enough, that the annual accounts of the Nizam's Government should have ceased to be made up in the same year in which the house of Messrs. William Palmer and Co. was established at Hyderabad. Such, however, would appear to be the fact; for the next account of the state of his Highness's finances is contained in Sir Charles Metcalfe's letter, dated the 8th September 1822, and is in substance as follows:

Debt due to Messrs. Palmer and Co., deducting ten lacs of Assignments in hand	Rupees	83,04,569
Debt to native Money-lenders		17,34,509
Arrear of Troops		15,00,000
Unsettled claims of the British Government, on account of Cessions, if exacted		10,00,000
Usual advance of Peshcush		4,00,000
Total Amount of Debt	Rupees	1,29,39,078

34. Sir Charles Metcalfe does not vouch for the correctness of this statement, and fears that it is rather under than above the actual amount. It obviously does not include the sums advanced by the house to individuals, on the guarantee of the Minister. Sir Charles Metcalfe subjoins the following statement of the Nizam's revenue and expenditure:

Revenue, including the Peshcush paid by the Company	Rupees	1,89,33,553
Expenditure, exclusive of the Interest of Debt		1,75,11,400
Surplus, applicable to charges of debt	Rupees	14,22,153

35. Hence it appears, that since 1813-14, the debt of the Nizam's Government has been increased to the extent of nearly eighty lacs, and that instead of there being a clear surplus revenue now, as there was then, applicable to the extinction of debt, there is a deficiency of funds, of about six lacs annually, to meet demands for interest, supposing that there is only a hundred lacs of debt bearing interest at twenty per cent, a supposition very favourable to the moderation of the *native* money-lenders. Still it is only the extravagant interest payable on money borrowed, which renders the statement discouraging, for the surplus of fourteen lacs ought not only to be sufficient to pay the interest of the debt, but to furnish means for the gradual liquidation of the principal.

36. A very slight degree of attention to the terms and extent of the pecuniary transactions of the Nizam's Government with the house of Messrs. William Palmer and Co., would satisfy the most incredulous, that to them are principally to be imputed the embarrassments of the State. Notwithstanding the large sums which were constantly passing into the coffers of the house, the balance against the Government, instead of diminishing, progressively increased. "When last I addressed you on this subject," says Sir Charles Metcalfe, in his letter dated the 16th December 1822, "it was estimated at ninety-three or "ninety-four lacs: it now appears to be close on ninety-six, including assign-"ments in hand." Matter of wonder it is, not that the Government should have been grievously burthened, but that it was not utterly ruined by so baneful a connection: not that it should have been reduced in strength and resources, but that it should not have already perished from exhaustion.

5th. *Official proceedings of the Resident at Hyderabad, having for their object the reform of the Nizam's Administration, and the correspondence and discussions which have taken place on the means of relieving the State of Hyderabad from its embarrassments.*

37. It was impossible that you should regard the distresses of our ally with indifference; and the consideration that these distresses had been greatly aggravated by the transactions of a mercantile house enjoying your countenance and protection, imposed on you the duty of endeavouring to administer relief to his Government.

38. The means of relief which suggested themselves were; first, the improvement of the Nizam's

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own resources, by reforming his system of internal administration; and, secondly, making good any deficiency in those resources by a temporary advance of money.

39. The proceedings adopted by the Resident at Hyderabad, with the view of effecting a salutary reform in the Nizam's system of admininistration, are to be considered with reference to their abstract fitness, and to the Resident's conduct as a servant of your Government.

40. In the former point of view, they will be considered in the sequel. It is in the latter that we now propose exclusively to notice them.

41. The letter addressed by you to the late Resident, dated the 22d January 1820, contained the following instructions: "His lordship being anxious to "establish the prosperity of the Nizam's dominions and the happiness of his "subjects, authorizes you to interpose your advice and influence for those purposes. A salutary control over the internal administration of the country; "accurate accounts of all establishments, receipts, and expenditure; the correction of abuses; a proper distribution of justice; the reduction of expense; "the amelioration of the revenue system, including the customs and duties "levied on commerce; the improvement of resources; the extinction of debt; "the efficiency of troops retained, and the discharge of such as are useless; "are objects to which your attention will be naturally directed. The Minister, "Chundoo Loll, appears to be the fittest person to be employed as the chief "instrument for carrying into effect the proposed reform. In order to secure "his faithful and zealous assistance, you are authorized to assure him of the "protection and support of the Governor-General in Council." In Mr. Russell's report of the 1st September 1820, he exhibited so flattering an account of the reforms already effected, as to excite surprize that so much had been done in so short a time; but it has since become manifest, that the information furnished in that report was greatly exaggerated. Sir Charles Metcalfe having succeeded to Mr. Russell, in December 1820, was left to proceed in the execution of the instructions issued to his predecessor in the month of January preceding. The spirit of alacrity and zeal with which Sir Charles Metcalfe set about the work of reform cannot be too highly extolled. But, in appointing European officers to make revenue settlements under his own superintendence, and in some cases to act as agents of police, he assuredly exceeded his instructions; the object of which seems to have been, to accomplish, by means of influence, that which Sir Charles Metcalfe took more direct means to attain. Indeed, Sir Charles Metcalfe must himself have been fully aware of this, since, on the 2d February 1821, he states that he considered the appointment of European managers in the several districts to be prohibited by his instructions, and not desirable if it could be avoided, as it would be tantamount to taking the country out of the hands of the Nizam and his Ministers. He did not think, therefore, of submitting any recommendation to this effect, unless he should find, after a fair trial, that his own efforts, with such aid as he could procure from the servants of the Nizam's Government, should prove unavailing. Yet, in little more than six weeks, on the 20th March following, without any trial, (so far as appears from his letter) of efforts to avoid such a step, without any statement of his reasons for altering his intentions, instead of submitting a recommendation, he speaks of the settlement of the revenue as already entrusted to the British officers whom he had selected for that purpose. In the course of five or six weeks at farthest, he might have received a reply from Calcutta, to an application for the sanction of the Governor-General in Council; and we see no reason to presume the existence of any such urgent necessity as might preclude such a delay.

42. While, however, we cannot approve the assumption of this discretionary power by the Resident, it is due to him to observe that, in so far as respected his direct interference in the settlement of the revenue, his proceedings were regularly reported to you as they took place; and that no intimation was given to him of their having been disapproved of by you, until after Rajah Chundoo Loll had preferred complaints against him. It is a "singular fact," too, as is observed by Mr. Adam, in his Minute dated the 1st November 1822, "that not "a breath

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" a breath of complaint was heard against Sir Charles Metcalfe's measures of " reform, till other proceedings seemed to affect the interests and profits of the " house of William Palmer and Co., although the former had been settled and " advanced in their progress a considerable time before." On the 20th March 1821, Sir Charles Metcalfe acquainted you, that the Nizam's Government had acceded to his proposition for the formation of a general settlement of the land-revenue for a term of years; and that, " in the Northern parts, the duty was " to be entrusted to British officers selected for the purpose." And, in reply to that communication, it was remarked, in your Secretary's letter to Sir Charles Metcalfe: " The plan of settlement, as detailed in your letter, is considered to " be extremely judicious; and it is highly satisfactory to his Lordship in " Council to observe, with what readiness the Government of his Highness has " entered into a measure, from which such important benefit to the country " may be confidently expected." In a subsequent letter, dated on the 16th April 1821, Sir Charles Metcalfe informed you of his having deputed Mr. Wells to undertake the settlement of Aurungabad; and, on the 5th May, you notified to Sir Charles Metcalfe your approbation of the measure.

43. We find, indeed, in a Minute of the late Governor-General dated the 27th May 1821, but not recorded until the 13th September 1822, that his Lordship at that period was not quite satisfied as to the propriety of Sir Charles Metcalfe's interference, to the extent to which it had been pushed, in the internal administration of the Nizam's country. But it was not till the 25th October 1822, that Sir Charles Metcalfe was apprized, in a letter from your Secretary, that his extended interference was inconsistent with our treaties, characterizing the Nizam as an independent sovereign; that the necessity alleged to exist for this interference was altogether constructive, and would, if admitted, furnish a pretence at any time to a powerful State for subjugating its weaker neighbour; in fine, that so ostentatious an assumption of the Government of the Nizam's country was calculated to inspire doubts respecting the intentions of the British Government, and to expose Rajah Chundoo Loll to the probable indignation of his master. We do not question the justness of these sentiments; and should have highly approved of them, if they had been communicated to Sir Charles Metcalfe at an earlier period. We are totally unable to discover any reason which could justify the delay of seventeen months in recording the Minute of the Governor-General; and we are not at all surprized, that the letter to Sir Charles Metcalfe, of the 25th October 1822, brought forward by the Governor-General, did not meet the concurrence of the other Members of Council, and that the strictures which it contained upon Sir Charles Metcalfe's conduct should have been considered by them as extremely harsh and unjust.

44. A loan of money to the Nizam seems to have been always deemed a necessary accompaniment, or rather an indispensable preliminary, to the completion of the projected reform of his internal administration; but a difference of opinion existed from the beginning in our Council of Government, as to the most eligible mode of procuring, or affording the requisite pecuniary aid. When it was proposed, in the month of July 1820, to contract with the house of Messrs. William Palmer and Co. for a loan of sixty lacs, Mr. Stuart suggested that, " perhaps the best and simplest plan might be, to advance at once from the " Company's Treasury the sum wanted by the Minister." Mr. Adam strongly urged, at that time, the expediency of acting on Mr. Stuart's suggestion. The expedient, however, was then opposed, both by the late Governor-General and by Mr. Fendall, on the ground that it would excite the jealousy of the Nizam, and strengthen the enemies of Rajah Chundoo Loll; and also, that it would be viewed with suspicion and disfavour at home. The Advocate-General, too, having been called upon for his opinion respecting the legality of the measure, replied to the question, as put to him by the Governor-General, that a loan to a native Prince, in the circumstances therein stated, would be inconsistent with the appropriation directed by the act of the 53d. Geo. III., cap. 155, sec. 55 and 61. On these grounds, political and legal, Mr. Stuart's suggestion was negatived, and a loan of sixty lacs was contracted for with Messrs. William Palmer and Co.

45. It was soon felt, however, that the exorbitant rate of interest payable on this and

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and other loans aggravated the distresses of the Government, instead of facilitating the execution of a system of reduction and economy; and Sir Charles Metcalfe proposed, in his letter to Mr. Swinton dated 5th April 1821, that our Government should "open the Company's treasuries for the receipt of money on "loan to the Nizam, under a guarantee from the Governor-General in Council "for the regular payment of the interest by half-yearly instalments, and the "eventual payment of the principal at the convenience of the Nizam's Govern-"ment, or if preferable, within a stated time." Sir Charles Metcalfe further submitted, that in the event of the foregoing proposition appearing objectionable, "he should be permitted to exert himself to obtain money at a lower rate "of interest than that which was then paid."

46. Sir Charles Metcalfe, before submitting these propositions to you, had, with much consideration for the house of Messrs. William Palmer and Co., apprized them of his intention, on the 19th March, in order that they might have an opportunity to state their objections, should they think that his plan either infringed their rights or would injuriously affect their interests.

47. Messrs. William Palmer and Co. did not reply to Sir Charles Metcalfe's communication until the 14th April, and then they remonstrated against the measure proposed by Sir Charles Metcalfe (a measure under which the debts owing to them by the Nizam's Government were to be paid off), as "inevitably "tending, if carried into sudden operation, to effect the total ruin of their "establishment."

48. Sir Charles Metcalfe's communications of the 5th and 14th April 1821 gave rise to a discussion in Council, which seems to have been prolonged to the middle of August of that year, on the best means of relieving the pecuniary embarrassments of the Nizam's Government.

49. The proposed guarantee, by the Company, of a loan to the Nizam was opposed by the late Governor-General, as being contrary to the spirit, if not to the letter of the law, and as being at variance with the sentiments communicated by us to the Bombay Government, on the subject of the loan raised for the Guicowar under the Company's guarantee. The Marquess of Hastings also considered the peshcush payable by us to the Nizam on account of the Northern Circars, as an inadequate security for both principal and interest; and the occupation of a large portion of his dominions (the only efficient security which could be taken) besides being repugnant to the wishes of the Authorities at home, his Lordship stated, would not be consented to by the Nizam, "unless "through absolute compulsion." The plan of raising a loan for the Nizam without the intervention of the British Government, even if unobjectionable, he considered to be utterly hopeless.

50. The objections of the late Governor-General were combated by Mr. Adam, chiefly on the grounds that, in the peshcush payable to the Nizam, we had not only security for the regular payment of the interest, but a surplus applicable to the liquidation of the capital of the debt, and that the measure proposed by the Resident would effect an annual saving of above ten lacs to the Nizam's Government.

51. Mr. Fendall recommended, as a plan less objectionable than that submitted by the Resident, and equally effectual for the object in view, that a proposition should be made to the Nizam to relinquish the annual peshcush of seven lacs payable to him by the Company, on condition of his receiving from the Company one hundred lacs of Rupees. By this plan, the Government of his Highness would have been furnished with the means of discharging its debts, whilst the Company's Government would have redeemed a perpetual annuity at about fourteen years' purchase.

52. One objection of the Marquess of Hastings to the redemption of the peshcush involves a double misconception; first, that the Company are influenced, in administering the affairs of India, by the limited duration of their charter; and secondly, that in the event of the Company not holding the territory after 1834, they would be losers, by so much of the advance as shall not be repaid at that period. If the redemption of the peshcush, which is a territorial

torial charge, were effected by commercial funds, it is obvious that the commercial branch would have a claim upon the territory for repayment; which claim, if not satisfied, as it assuredly would have been, when the Company should cease to hold the territory, if that time should ever arrive, must then be satisfied by authority of Parliament. But if the transaction is altogether territorial, that is, the appropriation of territorial funds to the reduction of a territorial charge, it is to be viewed only as it may be more or less advantageous to the territorial finance of British India, through whatever channel administered. Political Letter to Bengal, 21 Jan. 1824.

53. Measures, however, affecting the general administration of territorial finance, ought not to be adopted, without reference to us. You will recollect that, in that important branch of the administration, we must act with the concurrence of the Board of Commissioners, whose authority is entirely superseded when measures are completed in India.

54. We are ready to admit, that our great distance from the country committed to our governance, requires us to place no inconsiderable share of discretion in those by whom the Government is actually administered. Emergencies may arise, in which it may be your paramount duty to act, not only without reference to us, but even in contradiction to positive instructions, issued without any contemplation of the new occurrence. Even where the distance is less considerable, this duty of discretionary action may exist; as in the case of one of the Governments subordinate to you, or of inferior civil or military officers. The same liberal construction which you will doubtless put upon the apparent disobedience of one of these functionaries, we shall always extend to you; but we shall feel it our duty to require from you, as you, we are satisfied, require of those under you, two indispensable conditions: First, That the emergency be undoubted; that is, that the occurrence be one either clearly without the contemplation of the superior, or so inadequately provided for as to leave the public interests in imminent danger: Secondly, That the measure which assumes the emergency for its justification, shall not go beyond that which the emergency requires.

55. This latter condition has been too frequently neglected. Measures have been adopted, which, to a certain extent, it was impossible to avoid; but which have been so framed as unnecessarily to derange the ordinary course of things, and even to commit us to permanent and burthensome engagements. Sometimes we can only correct those unauthorized proceedings by measures involving great hardship to individuals; sometimes they interfere with other arrangements contemplated by us, or with orders actually on their way to India, whence a second case unprovided for by instructions necessarily arises. We earnestly hope that no such case may occur; and that your administration will be entitled to the confidence and support which we are always disposed to afford to our Governments in India.

56. The result of the discussion in 1821 was, that neither the proposition of Sir Charles Metcalfe nor that of Mr. Fendall was adopted.

57. Here we must observe, that had the Minutes above noticed been recorded and transmitted to us, as they ought to have been, when they were delivered in, we should have had an opportunity which has been denied to us, of communicating to you our opinion and decision on the questions therein discussed.

58. We feel it necessary most positively to direct, that in future all Minutes delivered in by any Member of Council may be recorded without delay, and communicated to us, if of no great importance in the ordinary progress of the consultations; but if of much moment, by the first opportunity which occurs.

59. The representation contained in Sir Charles Metcalfe's letter, dated the 16th October 1822, seems to have led to a renewal of the discussion in council in November last, when it was unanimously resolved, after receiving the opinion of your Accountant-General, to advance a loan from the Company to the Government of his Highness the Nizam, to the extent of a crore of rupees, at six per cent. interest, on the security of the peshcush of seven lacs of rupees, and of certain pergunnahs, the revenues of which should be mortgaged by his Highness to the Company, so as to effect the liquidation of the loan in

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six or seven years, or at furthest before the termination of the Company's charter.

60. The letter from Mr. Swinton to the Resident at Hyderabad, dated the 23d November 1822, appears to us to contain a number of judicious instructions, as to the mode of giving effect to your resolution; although we think that the interests of Messrs. William Palmer and Co. have been guarded with greater care than those of the Nizam's Government. But it is natural for us to ask, what circumstances rendered a proceeding expedient in November 1822, which was negatived by the Governor-General in Council in July 1820 and in August 1821; especially when it is considered, that the object of the loan resolved on in November 1822, might have been accomplished by the loan of a smaller sum the year before, and of a much smaller sum two years sooner?

61. The deterioration of the Nizam's affairs in the intermediate period would not be a satisfactory reason, because this deterioration might easily have been foreseen; and if it was right to endeavour to remedy, it was incumbent on you to try to prevent it.

62. If a loan to the Nizam was illegal in 1820 and 1821, it could not be legal in 1822. But an inference was drawn by the late Governor-General from our despatch of the 28th November 1821, of our disposition to sanction a grant of pecuniary aid to our ally. "The last letter of the Honourable Court, relative to the transactions of Messrs. William Palmer and Co. with the Nizam's Government," says the Marquess of Hastings, in his Minute of the 14th November 1822, "makes me feel authorized to extend an accommodation, which I should not otherwise have considered within the bounds of my duty. When the Honourable Court expresses regret that means had not been devised which would have given it the credit of assisting its ally, the inference is clear, that the temporary application, for such a purpose, of money lying idle in the treasury, therefore disposable, for a certain interval, without inconvenience to the Honourable Company, would be approved. Were not the conclusion so distinct, I could not hold myself justified in furnishing aid from those funds even for a specified period." We certainly never intended to convey to you any authority of the nature described; nor do we find, on turning to our despatch of the 28th November, any expression from which such an inference can be fairly drawn. So far from "expressing regret that means had not been devised which would have given us the credit of assisting our ally," we directly guarded against any inference to that effect, in the sixty-fourth paragraph of the despatch referred to, which ran thus. "We desire not to be understood as expressing regret, that you did not lend the credit of our Government to Rajah Chundoo Loll on the occasion in question. Whether, in any circumstances, such a proceeding might be allowable, it is needless now to discuss. But we have no hesitation in declaring, that the information contained in Mr. Russell's letter of the 19th May 1820, and its enclosures, far from being of a nature to warrant you in entertaining an extreme proposition of this sort, did not justify you even in giving your sanction to the loan of sixty lacs, imperfectly acquainted as you were with the state of the Nizam's finances, and the mode in which the money, when obtained, was meant to be applied."

63. So far, indeed, were we from being prepared to sanction a loan to the Nizam from the Company's treasury, that we always participated in the doubts entertained by the late Governor-General of its legality; doubts which you will have perceived, from the case and opinion forwarded to you with our despatch * of the 9th April last, were well founded. We cannot account, therefore, for the late Governor-General having put a construction on our despatch of the 28th November 1821, so foreign to its real meaning and intention. But, if it was considered open to the construction put upon it by the Marquess of Hastings, we are surprized that it was not acted upon sooner. It reached you in the beginning of May 1822, and if the loan to the Nizam had been determined on then instead of in November, eighteen per cent. interest for six months on the debt due to Messrs. William Palmer and Co., would have been saved to his Highness's Government.

64. Sir Charles Metcalfe, in his letter dated the 27th December 1822, states that Rajah Chundoo Loll, instead of accepting a crore, which you had offered him,

* See page 104.

him, declined taking more than eighty-five lacs; and that, for the repayment of the latter sum, he proposed to assign the annual peshcush of seven lacs due from the Company, and territory yielding a revenue of six lacs, which he had agreed to your taking under your immediate management, in the event of his failing annually to pay the estimated value. Sir Charles Metcalfe does not state that the Minister had consulted his master on the subject of this arrangement. That is entirely a question between *them:* but we confidently trust that no arrangement, of so important a character as that proposed between the British and the Nizam's Government, will be carried into effect, until it has received his Highness's formal assent.

65. We do not see how a loan of eighty-five lacs can suffice to pay off debts stated to amount to one hundred and twenty-nine lacs, unless large sums claimed as due by the creditors of the State are to be disallowed; and we trust that, before making any advance to the Minister, you will have satisfied yourselves, not only that the money will be properly applied, but that it will answer the purpose for which it was intended, and specifically, the final extinction of all connection between the house of Messrs. William Palmer and Co. and the Nizam's Government.

66. We trust, also, that the accounts of Messrs. William Palmer and Co. with the Government will be strictly investigated; and whilst you endeavour to distinguish between just and exorbitant demands, it will be right to apprize the house of the consequences to which they render themselves liable, by exacting a rate of interest beyond twelve per cent.

67. On the whole, we consider the expedient proposed by Mr. Fendall, of redeeming the peshcush payable by the Company to the Nizam, to have been greatly preferable to a loan; and we observe with satisfaction, from your more recent letter of the 7th March last, that you are of the same opinion. It is exempt from the legal objection to which the loan was open; it will save the Nizam the mortification of mortgaging a part of his country; and it will not expose the British Government to the possible suspicion, however unjust and unfounded, of establishing claims on territory, for the purpose of eventually getting possession of it.

68. We will not now disturb this arrangement; but we feel it our duty pointedly to reprobate the adoption of a measure so important, without reference to us. If it constituted a justifiable appropriation of surplus revenue, such appropriation could not legally be made without our sanction; and if it be considered as a part of our political expenditure, prior to the calculation of surplus, the proceeding is one of questionable legality, and an unwarrantable exercise of discretion, in a case in which the additional delay required for a reference to us could not have produced material inconvenience.

6th *General considerations affecting our practical policy in regard to the Nizam and other native Princes, suggested by the information derived from the correspondence between the Bengal Government and the late and present Residents at Hyderabad.*

69. Important as are the transactions of the house of Messrs. William Palmer and Co. with the Nizam's Minister, both as they affect the interests of his Highness's State and the credit and character of the British Government, there still remains for consideration a question of far greater importance, and far greater difficulty than any which they suggest: a question, which, sooner or later, would have required attention, even if that house had never existed, because it has grown out of the system of policy which has been pursued by us in regard to the Nizam, during a long period of time, although the crisis which has forced it into present discussion has doubtless been accelerated by the transactions of that mercantile firm. The question to which we allude is no other than this: By what means can the Government of our ally be saved from dissolution, and the character of a substantive power be preserved or restored to the State of Hyderabad? In the successful solution of this problem, however perplexing and beset with difficulties it may be found, both our honour and interests are deeply involved.

70. The extinction of the Nizam's Government, the great evil to be apprehended, and the consummation of which we have most sincerely at heart to prevent

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prevent, may be brought about in two ways. It may be subverted, should we withdraw our support from it, or it may be superseded by our active intervention.

71. The probability of its subversion in the event of our withdrawing our support, is founded on the reigning Prince's alleged inaptitude for discharging the duties of a ruler, the state of his family, and the chances of a struggle among his sons for the succession; the habit in the Government of depending on foreign aid, and its consequent supposed disability for independent action if left to itself; and lastly, the corruption which pervades the whole system of internal administration, and which, in order to find the means of gratification, might, if unchecked by us, resort to measures so intolerably oppressive, as to excite the people to resistance, and thereby throw the country into a state of inextricable confusion and anarchy, at once incompatible with the stability of its own Government and the tranquillity of its neighbours.

72. From the Minutes recorded by the Members of the present Government, it appears to us that, whilst they overrate the danger of withdrawing, and the immediate advantage of actively interfering in the Nizam's internal administration, they are not sufficiently impressed with the consequences to which the latter course may eventually lead.

73. A desire to secure the objects of the alliance, and to render the connexion subservient to British interests, led originally to our interference in the Nizam's internal Government; and an apprehension, whether well or ill-founded, that we cannot withdraw that interference with safety to the interests of either State, has been given by Sir Charles Metcalfe as a reason, not only for continuing but greatly extending it.

74. The policy of this extended interference, consisting not merely in a vigilant control, on the part of the Company's Resident, over the different branches of internal administration, but in an active concern and participation in all its details, has been advocated by Sir Charles Metcalfe, Mr. Adam, Mr. Fendall, Mr. Bayley, and latterly by Mr. Harington, since his accession to a seat in Council, as absolutely necessary to secure that reform, which they deem indispensable to the salvation of the state; whilst, on the other hand, it has been condemned by the late Governor-General as a deviation from the line of conduct which had been prescribed to the Resident, as an unwarrantable infringement of the just rights of the Nizam, and as more likely to defeat than to promote the object which it professed to have in view.

75. In many of the general observations contained in the Minute of the Marquess of Hastings, dated the 19th December 1822, we are disposed to concur; but we cannot help observing, that the objections so forcibly urged by his Lordship against a direct interference in the civil administration of the Nizam, apply with equal justice to the measures which have been adopted for some years past, with the view of improving the discipline and efficiency of his Highness's army: measures which, notwithstanding the disapprobation of them expressed in the despatch from our Secret Committee of the 3d April 1815, have been persevered in and extensively applied, both at Hyderabad and Nagpore, and were defended in your Political letter dated 3d June 1820, on the ground that the reformed corps, as they are called, "become in effect "part of our army."

76. The Marquess of Hastings may have been right, in considering all apprehensions of political danger to us from the system in question, as unfounded, and the contrast which had been drawn in the Secret Committee's despatch of 1815, between the subsidiary system and the system of officering the native troops, as not supported by facts: but it would not follow, that after having taken on ourselves to defend the territories of our allies, as we have done, by our subsidiary treaties, we should also undertake the training and officering of the troops which they employ chiefly in the performance of municipal duties; neither can we conceive how the latter system can be reconciled with the argument against direct interference in the Nizam's affairs, so ably maintained in his Lordship's Minute of the 19th December last.

77. In

77. In our view of the matter, the policy of disciplining and officering the Nizam's army is as much part of the question now before us, as the settlement of his Highness's land revenue, undertaken by Sir Charles Metcalfe; and we regard both measures as open to the most serious objections. Political Letter to Bengal, 21 Jan. 1824.

78. These objections we proceed to state, in the expectation that they will receive from you the most deliberate consideration; and that, if you cannot retrace your steps (a course which we should nevertheless be sorry to consider as hopeless) they will, at least, have due influence on the future policy of your Government, in cases where you do not stand committed to a specific line of conduct, and have not yet advanced too far to recede.

79. In judging of any arrangement, it is desirable that all the good and all the evil attendant upon it should be brought distinctly into view; and it appears to us that all the advantage to be derived from appointing European officers to discipline and command the troops of States in alliance with us, consists in this, that the corps will thereby be rendered more efficient. This is doubtless an advantage, though by no means so important an advantage in the present state of India, as it was when there was a greater probability of wars and warlike confederacies being directed against British interests. Nay, it is not perhaps going too far to say, that under existing circumstances, it is desirable that the native Princes should be discouraged from entertaining large military establishments; and it even merits consideration, whether in cases where they are bound to us by treaty to maintain a certain force, it might not be politic, if not altogether to absolve them from such engagements, at least to modify or relax their obligations, so as to bring the cost of them within the means of the native State. When a larger force is kept up than the State can afford to pay, revenue for a time is extorted from the people at the point of the bayonet; rapacity soon defeats its own ends; the public resources, instead of improving, decline; the pay of the troops falls in arrear, discontent leads to mutiny, the soldiers are converted into freebooters, and predatory associations are formed, which the protection due to our subjects, and the interest we have in preserving the general tranquillity, compel us to put down at whatever cost.

80. But supposing the advantage of securing to our allies the possession of an efficient military force to be far more unequivocal than it appears to be, it surely will be allowed to be an advantage which may be purchased at too high a price. It is material, therefore, to inquire what is the price paid for this advantage, such as it is; or, in other words, to consider the evils attendant on the policy, as it affects, first, the native States; secondly, our own interests; and thirdly, the interests of both conjointly.

1st. As it affects the native States, it appears to us to be humiliating and galling in the extreme. The proceeding of appointing European officers to the command of corps raised and maintained by Princes, whom we have not, as yet at least, professed to treat as dependent, must be felt as a fresh inroad on their remains of independence; as an exclusion of the higher class of natives from the places of power, trust, and emolument, which they have hitherto held, and of which it is both cruel and unjust to deprive them; and as indicative of further designs on our part which we assuredly do not entertain, and which it is very undesirable to have imputed to us.

81. With reference also to the 15th article of the Treaty of 1800 with the Nizam, it appears to us very doubtful whether the proceeding be consistent with good faith; particularly if, as stated by the Marquess of Hastings, "the "mode of officering and paying the reformed corps renders them in effect a "part of our army, upon whose fidelity we may rely, even in a rupture with "their nominal chief."

82. The separation which this view implies of the military from the civil power, cannot fail to paralyze the energies, and in course of time, to destroy the existence of any Government which submits to it. That our subsidiary system tends to produce these results cannot be doubted; but the results were at least retarded by the possession, on the part of native States, of a military force of their own, over which we exercised no control. Deprived of control

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over that force, they cannot long retain the internal management of the country; and when this is given up, it is clear that the Governments exist only in name.

2d. The inconvenience of the policy, as it affects the Company's interests, though serious, may be stated in a few words. You are already in possession of our decided opinion, that Company's officers ought exclusively to be selected for the service in question. But the narrower the field of selection, the greater, in some respects, is the inconvenience. If the officers be well selected, they will be those who can be least spared: men skilled in their profession, conversant with the languages of the country, and qualified by their disposition, manners, and experience, to conciliate and influence the natives. Men of that description are extremely valuable, and the loss of them must be most sensibly felt by the corps from which they are detached. If, on the other hand, they are chosen without discrimination, they will, in many instances, be ill qualified for the service on which they are deputed; and, perhaps, in some, discredit their appointment, and bring into disrepute the European character.

83. Nor do we deem an arrangement well devised, or even reasonable, under which the Company are subjected to the burthen of paying fifty or sixty, or it may be one hundred officers, employed and paid also by the Nizam and the Nagpore Rajah, or any other Indian Princes.

3d. A few observations remain to be added, respecting the present policy, as it affects the native States and British interests conjointly. The British Government is deeply interested in the good Government of these particular States; not only on account of its general concern for their welfare as allies, but because its constant and active interference, for a series of years, in the management of the affairs of the Nizam, and more recently in the administration of the Nagpore Rajah, have, to a considerable extent, staked its honour and character on the result. Seeing the importance then, not only to our allies but to ourselves, that our policy should be so shaped as to ensure good government, in so far as depends on us, let the arrangement under discussion be tried by that test.

84. It is a self-evident proposition, that in proportion to the extent of power vested in any individual, ought to be the strictness of responsibility for its due exercise and the checks upon its abuse. The European officers in the service of the Nizam and the Nagpore Rajah are vested with power, civil as well as military: they not only discipline and command the corps to which they are severally attached, but they are entrusted with the administration of revenue and police; and, in both capacities they appear to us to be equally exempt from responsibility. The authority of the Residents, however great in other respects, does not legally extend to those officers; and even were the native Governments less inefficient, it is not within the competency of the British-Indian Government to render British subjects amenable to their laws. Setting aside, too, the anomaly in the constitution of a military force, of which the troops would be subject to one law and the officers to another, we are doubtful whether the articles of war contain any provision applicable to offences committed by British officers, when employed in the service of a foreign prince.

85. Here, then, are a number of individuals (many of them very young men) entrusted with most extraordinary powers, placed in circumstances of strong temptation to abuse those powers, and subject to little or no responsibility for the exercise of them. We are far from wishing to exaggerate the probable evils of such an arrangement; but a solemn sense of duty does not permit us to suppress our apprehensions, that it will be attended with practical abuses, most calamitous to the countries which may be the theatre of them, and injurious little less to the reputation of the Government which does not prevent them, than to the character of the immediate actors in them.

86. Our anticipations from such a state of things are unfortunately justified by experience. In 1775, the assistance of British officers was granted, at his request, to Nabob Asoph-ul Dowlah, to command six battalions of Sepoys, six regiments of cavalry, and three companies of artillery: but in less than two years it was found necessary to discontinue the plan for the following reasons, as set forth in a Minute recorded by Mr. Hastings on the 5th May 1777, for

1st. The

1st. The superior pay and emoluments enjoyed by the officers in the Nabob's service, excited murmuring and dissatisfaction among those who remained in the Company's service, and by discouraging their zeal and attention to their duty, tended to the general relaxation of discipline. Political Letter to Bengal, 21 Jan. 1824

2d. The want of effectual checks had been deeply felt, the principle of moderation which should actuate the conduct of officers in their public disbursements having been found to have little influence, when the expense was defrayed by a State on which they had no natural and permanent dependence. Hence the burthen had become too enormous for the Nabob to bear.

3d. The service having been too remote for the British Government to observe and restrain all abuses in it, local interests were acquired, and opportunities of making undue advantages afforded.

4th. The officers employed on this service being exempt from the articles of war, the British Government had no further influence over them, than such as was created by a dread of losing their profits, which alone was insufficient to restrain excesses proceeding from the same principle.

87. It may, perhaps, be said, that the great change which has taken place in our political situation in India, renders any inferences deducible from these early transactions inapplicable now. Although our situation has doubtless changed in many respects in the course of nearly half a century, yet this change does not, in our judgment, prevent the military arrangements which took place in regard to Oude, in 1775, 1777, and 1781, from being highly instructive at the present juncture. The arrangements for disciplining the troops of the Nabob Vizier, and the Nizam are exactly similar; and the results depending not on accidental circumstances of time and place, but on the unalterable ws of human nature, we greatly fear, will be the same in both cases.

88. Indeed, the chances of abuse are greater now than they were then, in as much as the officers appointed to discipline and command the Nizam's corps, as has been already observed, have been entrusted with civil as well as military duties: civil duties presenting strong temptations, unaccompanied with any efficient check, or more than nominal responsibility. For their military duties, they may at least be qualified; but we cannot comprehend how a few young men, with no other experience than they can have acquired in serving with their respective corps, or in the office of a Political Resident, could, without having the ordinary advantage of instruments of their own selection, be at all competent to superintend the revenue settlement of an extensive country: a task requiring a combination of qualities, which it is difficult to find even among those who have devoted a considerable portion of their lives to the practical study of revenue business.

89. But supposing the settlement to have been judiciously formed, the object of protecting the agricultural population would still be unattained, unless security were afforded that the collections should not exceed the sums assessed. We were not, therefore, surprised to find it stated in Sir Charles Metcalfe's report of the 7th November 1821, "that the satisfaction of the cultivators at "the settlement was clouded by a dread, that the systematic bad faith of the "Nizam's Government may render nugatory the benefits of the arrangement." That the apprehensions of the cultivator were by no means groundless, fully appears from Sir Charles Metcalfe's subsequent letter, dated the 31st August 1822; wherein he states, that he had been obliged to resort to "the nomina- "tion of officers charged with the general duty of receiving the complaints of "cultivators, or others, oppressed by the Government, and obtaining redress "for them, either by application to local authorities or by representation to "the Resident, and through him to the Nizam's Government." These officers were also empowered to apprehend banditti and other criminals, and to deliver them over to the local authorities. Although these expedients did not quite amount to an assumption of the judicature of the country, they show how one act of interference, naturally and almost necessarily, leads to another; that revenue settlements are of little value, unless security be afforded to the Malguzars that no more will be exacted from them than they engaged to pay; and that if our interference is to be effectual for the protection of the people, in whose

Political Letter to Bengal, 21 Jan. 1824.

whose behalf it professes to be exerted, we cannot stop short of taking into our hands the whole administration of the country, or in other words, of entirely superseding the existing Government. This being an end which we have no right to compass, we cannot stand justified in pursuing a course of measures inevitably leading to it, however good may be the intentions by which they are dictated, and however considerable may be the immediate benefit derivable from them. But even were the end unobjectionable, the means are far from being so: because, consisting of power without check, and agents exempt from responsibility, they constitute a certain guarantee for bad Government.

90. Entertaining these sentiments, we cannot caution you with too much earnestness to avoid all interference in the internal administration of those States with which we have lately entered into subsidiary engagements: and we wish you to consider the system of officering the troops of these States with European officers, as a branch of that interference from which we are very desirous to withdraw, whenever you shall see an occasion for accomplishing that object with facility and safety. The obligations which we have incurred to act as arbitrators in their disputes with each other, neither bind nor entitle us to interfere in their domestic concerns; and should you perceive any disposition to such interference on the part of your Political Residents, we desire that it may be promptly and decisively checked.

91. The question, as to the practical policy to be observed in regard to the Nizam's Government, is perplexed, in some degree, by the character of the reigning prince, but still more by a long course of past interference, and by the seventeenth article of the Treaty of 1800, under which we are bound, in certain cases, to employ our military force in quelling disturbances within his Highness's dominions.

92. Sir Charles Metcalfe, in his letter dated the 20th June 1822, expressed a doubt, "whether his Highness's abstraction from public business, which is of "long standing, proceeds from natural indolence and love of ease, or from "disgust at the control exercised by his Minister with our support." It is very desirable, that this point should be settled; because, if there be no natural incapacity in his Highness, one objection to our placing him in the exercise of his proper functions as sovereign of the country would disappear.

93. With respect to our past course of interference, it may be traced to the appointment, in 1809, of Rajah Chundoo Loll to the office of Peshcar, at the instance of your Government, on an understanding that, though nominally subordinate to Mooneer-ool-Moolk, he was to be active Prime Minister, or rather actual ruler of the country, and of course to attend to the views and wishes of the Government to which he owed his elevation, and from which he expected support. In so far as British interests are exclusively concerned, the Rajah seems to have furnished you with no ground of complaint; but of his internal administration we fear that little can be said in the way of praise. Although represented by Sir Charles Metcalfe as the best man of business about court, he is at the same time described as rapacious, extortionate, and wasteful of the public resources, which he prodigally expends in bribery for the preservation of his power, and as being in the habit of secretly counteracting plans of reform recommended by the Resident, which he professed to favour.

94. But notwithstanding these representations of the character of the Minister, Sir Charles Metcalfe was told, in Mr. Swinton's letter dated the 25th October 1822, that "it would be the deepest stain to British honour, were he "(the Minister) left to the ruin, which must follow the discontinuance of our "plighted support;" and in the event of the Nizam's manifesting any disposition to remove Rajah Chundoo Loll from office, the Resident was instructed to give his Highness to understand, that such a step "would cause a material change "in the connection between the two Governments," and might give rise to a claim, on your part, to all the rights possessed by the Paishwah over the Hyderabad dominions.

95. The instructions conveyed to the Resident in Mr. Swinton's letter, do not appear to us to be either sufficiently guarded, or altogether in accordance with

with the sentiments contained in the late Governor-General's minute of the 19th December last. Political Letter to Bengal, 21 Jan. 1824.

96. Although it is incumbent on us to protect Rajah Chundoo Loll from any vindictive feeling on the part of the Nizam, and even to use our influence, in the event of his removal from office, to obtain for him a provision suited to his rank and station, we are not aware of our having incurred any obligation to continue our support to him as Minister, longer than his conduct deserves it; and if, as Lord Hastings seems to have been of opinion, all the advantages of direct interference might have been secured through the influence of the Resident with the Nizam's Minister, it seems essential to this influence that the Minister should be in some degree dependent on the person exercising it, and that he should have to dread the discontinuance, as well as to hope for the continuance of the Resident's support.

97. This, however, is altogether a forced and unnatural system of Government; and we agree with Sir Charles Metcalfe, that "a system of non-interference, founded on regard for the rights of an independent Sovereign, if practicable under the circumstances of our intimate connection with the Nizam's Government, would have great and decided advantages, and is that which we ought to endeavour to establish; provided always that the irresistible strength which our protection affords to the Government be not converted to the oppression of the people."* The concluding consideration in the foregoing passage is most important, and constitutes in our mind the strongest objection against our withdrawing from all interference in the concerns of a Government, which we are bound by treaty to protect, however tyrannical and oppressive may be its proceedings. As long as we have an army stationed within the Nizam's country, the objection never can be altogether obviated; but it would be very much weakened, were we relieved from the obligation contracted under the seventeenth article of the Treaty of 1800, whereby we have agreed to employ the subsidiary force in enforcing payment from the Nizam's subjects and dependents of his just claims upon them, and in reducing to obedience such as are refractory; and we think it not improbable, that the Nizam would be glad to purchase freedom of action, by relieving us from this engagement.

98. We have thus put you in possession, generally, of our sentiments on this very difficult and important subject. We abstain from issuing any positive instructions on this occasion, because we are unwilling to fetter your discretion, on the judicious exercise of which we are disposed to place great reliance. We likewise entertain a high opinion of the probity and talents of the present Resident at Hyderabad, both of which have been conspicuously evinced in the transactions under review. Of Sir Charles Metcalfe's experience and information you will no doubt avail yourselves; and we feel confident that whatever measures may be resolved on for upholding the Nizam's Government, the great object of our solicitude will be executed by him with judgment, zeal and ability.

99. Since the foregoing paragraphs were prepared, we have received your letters in the Political Department, dated the 7th and 31st March, 8th May, 16th June, 1st, 26th and 31st July and 9th August.

100. We shall reply to these communications on the subject of the Hyderabad transactions, without any unnecessary delay.

We are, &c.

(Signed) W. WIGRAM,
W. ASTELL,
&c. &c. &c.

EXTRACT BENGAL SECRET CONSULTATIONS.

Bengal Secret Consultations, 5 May 1777.

The 5th May 1777.

EXTRACT, *Minute† of the Right Honourable Warren Hastings, Governor-General, dated the 5th May 1777.*

The original plan for disciplining the Nabob's‡ army having produced dangerous consequences, it was found necessary to reduce the corps, and form them anew

* Letter from Sir Charles Metcalfe to Mr. Swinton, dated 29th November 1822, paragraph 10.
† Referred to in page 390. ‡ The Nabob of Oude is here alluded to.

Bengal Secret Consultations, 5 May 1777.

anew on the present establishment. This has, indeed, answered the ends of discipline and subordination to a certain degree, but the plan is still attended with many and great defects. I will enumerate such as have struck my observation.

1st. The superior pay and emoluments enjoyed by the officers in that service, excite murmuring and dissatisfaction in those who remain in our own, and by discouraging their zeal, and attention to their duty, tend to the general relaxation of discipline.

2d. The pay of the Nabob's Sepoys being made equal at all times to the increased allowances of those of the Company when on service in the field, is a great detriment to our own service, by discouraging recruits from engaging in it while they can obtain such superior advantages from the Nabob's.

3d. The want of effectual checks. That principal of moderation which should actuate the conduct of the officers in their public disbursements, loses much of its influence when the expense is defrayed by a State on which they have not a natural and permanent dependence, and hence the burthen becoming too enormous for the Nabob to bear, it must ultimately fall upon the Company: To guard against this consequence, an officer of audit and control has been lately appointed by the Board; but with what success, time must shew, as we are not yet advised of his having entered on his office: but there are too strong grounds for the presumption that his authority will avail but little, while the paymasters and officers are allowed to draw for advances from the Nabob's treasury, and they consider themselves as responsible to him alone for the application of them. The Board have a recent and striking instance, either of the indifference or licentiousness of those who have been thus intrusted with sums in advance by the Nabob, in the difficulties which they have experienced in obtaining from Lieutenant-Colonel Goddard, notwithstanding their repeated and peremptory commands, the accounts of the past expenditures. After waiting for these accounts for seven months, in which time we were told that he had been unable to collect them, that some had been delivered which he had returned because they were defective, and others withheld on pretence that no accounts had been kept, or that having been passed, they had been torn, at length a parcel of abstracts were transmitted, not of the whole, but only of a part of the accounts, expressing in gross sums the advances and disbursements, but without a voucher, without any specification of time, or of numbers, or of ranks, or of the circumstances under which contingencies were incurred, or any document whatever, that could shew the propriety or truth of the charges. Such however must be the practice, while the temptation and means conduce to it; nor can it, perhaps, be so justly imputed to those whom the provocation of present profit, aided by the concurrence of example, and the too liberal construction which is commonly given to the latitude of contingent bills, may have led to commit it, as to the natural effects of a defective system: but it will be the fault of Government, if it knowingly suffers such defects to remain, and they are capable of remedy.

4th. The service being too remote for this Government to observe and restrain all the abuses in it, and being in its present nature incapable of relief, local interests are acquired, and opportunities of making undue advantages afforded.

5th. Our officers employed in this service being exempt from the Articles of War, we have no further influence over their conduct than such as the dread of losing their profits may create; and this alone will never restrain the excesses arising from the same principle.

Treaty with the Nizam. 1800.

EXTRACT *from the* TREATY* *concluded with his Highness the* NIZAM, *in* 1800.

ARTICLE XVII.—By the present treaty of general defensive alliance, the ties of union, by the blessing of God, are drawn so close, that the friends of one party will be henceforward considered as the friends of the other, and the enemies

* Referred to in page 392.

enemies of the one party as the enemies of the other; it is therefore hereby agreed, that if, in future, the Shorapoor or Gudwall Zemindars, or any other subjects or dependants of his Highness's Government should withhold the payment of the Circar's just claims upon them, or excite rebellion or disturbance, the subsidiary force, or such proportion thereof as may be requisite, after the reality of the fact shall be duly ascertained, shall be ready, in concert with his Highness's own troops, to reduce all such offenders to obedience. And the particular interests of the two States being now in every respect identified, it is further mutually agreed, that if disturbances shall, at any time, break out in the districts ceded to the Honourable Company by this treaty, his Highness the Nabob Asoph Jah shall permit such a portion of the subsidiary force as may be requisite, to be employed in quelling the same within the said districts. If disturbances shall at any time break out in any part of his Highness's dominions contiguous to the Company's frontier, to which it might be inconvenient to detach any proportion of the subsidiary troops, the British Government, in like manner, if required by his Highness the Nabob Asoph Jah, shall direct such proportion of the troops of the Company as may be most conveniently stationed for the purpose, to assist in quelling the said disturbances within his Highness's dominions.

Treaty with the Nizam, 1800.

EXTRACT BENGAL POLITICAL CONSULTATIONS,

The 7th December 1819.

Bengal Political Consultations, 7 Dec. 1819.

EXTRACT *Letter* from H. Russell, Esq. Resident at Hyderabad, to Mr. Secretary Metcalfe, dated 9th October* 1819.

Par. 6. The present Minister, Rajah Chundoo Loll, was appointed Peshcar under Meer Allum in 1806. If any accounts were prepared at the time, none were rendered to the Nizam until the middle of 1811, when his Highness having called for a statement of the Receipts and Disbursements of his Government, Rajah Chundoo Loll laid before him the account drawn up by Rajah Rajinder for 1803-4, together with three other accounts prepared by himself, for the years 1807-8, 1808-9, and 1809-10. Of these accounts the following were the results:

1807-8:	Disbursements..... Rupees	190,99,307	
	Receipts	185,58,321	
	Deficit.....		5,40,986
1808-9:	Disbursements..... Rupees	195,57,137	
	Receipts	186,05,974	
	Deficit.....		951,163.
1809-10:	Disbursements.....Rupees	201,27,518	
	Receipts	185,97,340	
	Deficit.....		15,30,178.

7. The substance of the foregoing statements was given by me in a despatch to the Vice President dated 21st May 1811; and I at the same time pointed out the progressive injury which the Nizam's affairs were suffering, from the rapacious and improvident system under which they were administered.

8. The altercation between the Nizam and his minister, which occasioned the production of these accounts, led also to the preparation of others for the four ensuing years, of which the following were the results.

1810-11:	Disbursements ..... Rupees	1,96,01,116	
	Receipts.....	1,89,91,530	
	Deficit.....		6,09,586
1811-12:	Disbursements.....	1,94,85,359	
	Receipts.	1,93,66,817	
	Deficit.....		1,18,542

* Referred to in page 380.

1812-13

Bengal Political Consultations, 7 Dec. 1819.

1812-13:	Receipts	2,03,22,848	
	Disbursements	1,99,85,024	
	Surplus		3,37,824
1813-14:	Receipts	2,03,64,127	
	Disbursements	2,02,03,687	
	Surplus		1,60,440

9. The whole of the foregoing statements profess to exhibit the amount of the net collections, of every description, made by the Government, after deducting not only the charges of collection, but also the choute paid to the Mahrattas, the seunnee, or commission of three annas on the rupee, levied for the Dewan, and the neemunnee, or half anna, levied for the Peshcar. The jagheers are not included on either side of the account.

10. The charges of collection are estimated, under the Nizam's Government, at three annas in the rupee, or eighteen and three-quarters per cent; half an anna being allowed to the Aumil, half an anna for durbar charges, and two annas for Sibendies.

Minutes of the Court of Directors, 21 Jan. 1824.

EXTRACT *from* MINUTES *of the* COURT *of* DIRECTORS, *of the 21st of January*, 1824.

A dissent, signed by James Pattison Esq., from the Court's resolution of the 7th instant,* approving the paragraphs for Bengal in the Political department, respecting the pecuniary dealings of the house of Messrs. William Palmer & Co. at Hyderabad with the Nizam; also,

A dissent signed by the Honourable William Fullarton Elphinstone, and by James Daniell and Charles Mills, jun. Esqrs., from the same Resolution, were delivered in and read, the same being as follows, *viz.*

Mr. Pattison's Dissent.

To the Honourable the Court of Directors.

Gentlemen:

I feel it my duty to record my dissent from the vote of the Court of the 7th instant* approving a letter to Bengal in the Political department, respecting the affairs of Hyderabad, and that on a cursory reading, in a thin Court, although the same had been in preparation for many months, and had been announced by the Chairman to the Court as a subject to be seriously and deliberately discussed.

And I cannot but notice with concern, on their account, the want of courtesy on the part of the Court exhibited on this occasion towards myself, who was well known to take a deep interest in this question, and to have devoted much time to the due understanding of it; and to whom, though confined to the house by sickness, the delay of one week was denied, although there was no assignable motive for hurrying the matter forward.

To the letter itself, had I been permitted to offer them, I should have brought forward many serious objections; and those not only to the principle which pervades it, but also to the inconsistencies to be found in its construction and reasonings. Having been debarred that privilege, in the exertion of which I might have convinced some Members of the Court of the impolicy of their adopting so implicitly rumours for facts, deliberate convictions of a prejudiced individual without proof for absolute truths, and misconstructions of a solemn affidavit for impeachments of its veracity, I much regret the not having been allowed to advocate, to the extent of my faculties, the necessity of maintaining the dignity of the Court by keeping it aloof from and above the party spirit which, after creating a schism in the late Bengal Government, has magnified the miserable question of the extent of advantage taken by the house of William Palmer and Co. over the necessities of the Nizam's Government, into a matter of

* See page 371.

Minutes of the Court of Directors, 21 Jan. 1824.

Mr. Pattison's Dissent.

of State policy: and if I had failed in these objects, I should still have striven to the last, to prevent the Court's implicating itself, by the adoption of a series of inuendoes and inferences in a course of reasoning, the main purpose of which, barely concealed by the avoidance of names, is to insinuate that the Government of the Marquess of Hastings supported by its influence the house of William Palmer and Co. through right or wrong, on account of the connection subsisting between that noble personage and a partner of the house, Sir William Rumbold, who, in fact, did marry a ward of Lord Hastings: and I should not have despaired to persuade the Court, or at least many of its Members, that while, on the one hand, such an insinuation stands unsupported by a single fact, on the other it is, and must ever be, the duty of the Supreme Authority to protect a public functionary, though far less distinguished by his services than the noble individual in question, from the annoyance of such base and pitiful calumnies.

If it be possible that the Court can really entertain any doubts on this head, it would be, in my opinion, both dignified and just to state them, and the grounds on which they are founded; and further, to call upon the Noble Marquess for explanations on precise and clear points of charge. But thus to record and become party to ex-parte insinuations and dark inuendoes, whereby a vital stab is aimed at high and distinguished character, appears to me to be both unjust and derogatory to the Court's dignity.

The beneficial effects of that highly gifted Nobleman's achievements and statesman-like policy are becoming every day more obvious. India is in profound peace, and likely to remain so, from the removal of incentives to warfare, and of ability in any of the native Powers to rise against our supremacy. The late operations evince the prophetic knowledge of the noble Marquess of our financial improvement, while the results are acknowledged by his successor to flow from the great political measures of his administration: and his prognostication of vital evils in another department, which drew down upon him at the time the Court's displeasure, shews clearly that his deep acquaintance with human nature enabled him to foresee, and endeavour to guard against mischief, then quite in embryo; but now, from delay to apply appropriate preventives, ready to burst into life, and calling for the immediate application of anodynes, which his successors are enabled to supply, from the growing resources and increasing prosperity of the country.

On the return of this great man from his Government, after nine years of distinguished service, in the decline of life, unenriched, and involved in difficulties of an ancient date, he has been suffered to proceed to a distant country as the place of his future residence, without the slightest mark of attention or respect from the Court; and a motion to grant him an annuity, which would have brought the sum total of the Court's munificence towards him to an equality with what was granted to his noble predecessors, Marquesses Cornwallis and Wellesley. was negatived by the Court, mainly on the plea of its being first necessary thoroughly to investigate this miserable Hyderabad question.

This investigation has gone forward for months, volumes of materials have been accumulated, and the result has been the production of this Political Draft, which, without bringing forward a single fact, in any degree implicating the noble Marquess in the transactions of the house of Palmer and Co., does not scruple, by inuendo, to connect him with all the farrago of loans deemed extortionate; statements of accounts stigmatised as false, and an affidavit hardly termed deceptive: matters wholly foreign from his cognizance, and into all and every one of which, when brought to the notice of his Government by Sir Charles Metcalfe, he directed the most rigid inquiry to be gone into without delay.

Whether or not, on the first application of the house of William Palmer and Co. to be permitted to settle at Hyderabad, it was wise to sanction that establishment; whether or not it was prudent to accede to their desire to be exempted from the penalties of the law, and to be thus permitted to have pecuniary dealings with the Nizam's Government; whether the Aurungabad arrangement, under the critical circumstances which gave rise to it, was or was not a measure of expediency, bordering on necessity;

and,

Minutes of Court of Directors, 21 Jan. 1824.

Mr. Pattison's Dissent.

and, finally, whether the sixty lac loan was or was not necessary, with a view to the objects proposed by the Minister, Chundoo Loll, and sanctioned by Mr. Russell, the Resident, are questions so involved in contradictory testimony, that it were fruitless now to investigate them. But the motives which led the Bengal Government to adopt these measures are to be found on the records. It will there be seen, that on some of these occasions the Governor-General was up the country, and was not a party to their adoption; but that the Resident, Mr. Russell, strongly urged their fitness, and especially that of the financial measures, as vitally important to the well being of the State of the Nizam, and of the alliance. It will be seen, that strong testimony was borne to the advantages resulting from the Aurungabad arrangement; and it was believed, from the declarations of Mr. Russell, that the sixty lac loan was in beneficial operation. The accounts of the Aurungabad arrangement had been forwarded to Calcutta the moment they were asked for; had been circulated through the council, and returned to Sir William Rumbold, with a congratulatory note from Mr. Metcalfe himself, then Secretary to the Government. But on that gentleman's appointment to the Residency, on the departure of Mr. Russell, it was soon seen that all that had been done must be declared wrong, and that unless under his own direct and immediate control, nothing could prosper. Accordingly, Sir Charles Metcalfe has, ever since his arrival, busied himself incessantly in casting aspersions on the character of the Minister, on that of the late Resident, on every individual of the house of William Palmer and Co., and indirectly on that of the Governor-General himself, his friend and benefactor. He has given ear to every rumour, and even common report has been enlisted as effective in his hostile array. He has declared his solemn *conviction*, without an atom of proof, that Mr. Russell, the late Resident, was a partner in the house of William Palmer and Co.; that Sir William Rumbold received a personal allowance from the Nizam's Government (and that presumptively for the notable reason that his late brother had received one); and that the Minister, whom he describes at one moment as unworthy of belief, and adduces the next as a good and valid testimony, was wholly under thraldom to the house of William Palmer and Co. He then proceeds, in total disregard of the instructions to his predecessor, which he at length discovered penned by himself, when Secretary to the Government, to persuade, or rather compel the Minister to consent to a new settlement of the revenue of the whole of the Nizam's country, even to the extent, hypothetically, of a settlement in perpetuity by British officers; while he asks (treacherously, it would appear, inasmuch as regards the Minister), of the Bengal Government, what course he is to pursue, in the event of the Nizam's wishing to dismiss Chundoo Loll, and receives at his house the nominal Minister, Mooner-ool Moolk, to the great annoyance of Chundoo Loll; and when these proceedings, evidently tending to his own elevation to the actual duties of Dewan, aggravated by the indecent conduct of Lieutenant Hislop, a subaltern in the King's service, in annulling a settlement made by the Minister, and substituting one formed by himself, on such imperfect knowledge as to embrace only one-half of the lands comprised therein; when these proceedings, I repeat, induced the Minister, after fruitless remonstrances at the Residency, and a wish expressed for their transmission to the Sudder, to forward a letter of complaint to the Governor-General direct, through the medium of Messrs. William Palmer and Co., and Mr. John Palmer, a cry of conspiracy against the Resident is handed up to Government, and is adopted as a grievous offence, in dissent from the opinion of the Marquis of Hastings, by the whole Council; and the conduct of Sir Charles Metcalfe is loudly eulogised, while, with manifest inconsistency, he is still directed to make the instructions to his predecessor the rule of his future conduct.

The Court, by its hasty adoption of this Hyderabad letter, as it is termed, has made itself a party to the whole of these proceedings. It has, it is true, in the fifth and sixth divisions of the subject, expressed its disapprobation of the extreme interference of Sir Charles Metcalfe in the affairs of the Nizam's Government, and has recommended a return to wiser courses. Although not a word is said in the letter of Lieutenant Hislop's improper interference, which is not even hinted at, nor of Sir Charles Metcalfe's still more improper praise of the zeal of his youthful coadjuter, there are pages of reference to evils which grew out of

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the officering the troops of the Nabob Vizier with British officers, and to the desirableness of the abolition, in due time and season, of that system at Hyderabad. This matter would appear to be somewhat irrelevant to the subject under immediate review: But it is introduced in the Draft, in order to detract from the Marquess of Hastings' just view of the proper course to be pursued by our Resident at Hyderabad, which is acknowledged by the Court to be correct, but which should have been applied equally, it is said, to this point also of officering the troops of the Nizam. The candour of this reasoning may be evinced, by reference to the closing sentence of the 43d paragraph, where the Court, while acknowledging the soundness of Lord Hastings' political reasonings on the subject of interference in the affairs of native Princes, as opposed to Sir Charles Metcalfe's zeal, which it is owned had gone beyond the mark, close, with admirable inconsistency, by echoing the opinion of the Members of Council, that Lord Hastings's letter to Sir Charles Metcalfe, of the 25th October 1822, on this subject, was harsh and unjust. Now I must presume, that every Member of the Court who sanctioned these paragraphs had previously perused this letter of Lord Hastings with attention; and so presuming, I cannot but wonder at their decision on this point, as it appears to me, while Lord Hastings blames Sir Charles Metcalfe's excessive interference, and attributes some of his feelings to over sensitiveness, the letter abounds in conciliatory expressions of cordial esteem and regard.

Minutes of Court of Directors, 21 Jan. 1824.

Mr. Pattison's Dissent.

The short period allowed for recording a dissent, will not admit of my analysing this, (in my humble opinion,) ill-judged and ill-judging Hyderbad letter as I could have wished to do. I had prepared myself for a *viva voce* discussion of its merits, paragraph by paragraph, such having been the declared intention of the Court: But the same materials will not serve for a record, and I must content myself with a brief mention of a few objections which present themselves to my recollection, omitting many others equally obvious, but of inferior moment.

At the very outset, so early as the 5th paragraph, the whole question, inasmuch as regards the character of the house of William Palmer and Co., is summarily decided, by the inuendo that they were engaged in usurious loans under cloak of commercial transactions; and in the ninth paragraph, by parenthesis, they are declared no longer worthy of the countenance they had enjoyed. Now it appears to me, that it would have been somewhat more decorous, and conformable to usage, to have deferred this sweeping sentence, even by inuendo, until a deliberate examination of the charges and defence had been gone into. If, after such investigation, this decision were judged proper, it would surely have been well to transpose the sentence of the court from the opening of the pleadings, where it now stands, to the close or summing up, where it should stand.

The term usurious is very freely adopted in the Draft; but its adoption betrays much ignorance of the rate at which money has been ever obtainable by native Princes, when in necessity. Our own records abundantly shew such rates rarely to have fallen short of twenty-four per cent., and as the securities given on such occasions, even tunkhas, are resumable at pleasure, it is not to be wondered at, that persons who lend money should protect themselves by high interest, their only possible safeguard (insufficient as it is,) against such borrowers. In the progress of the Aurungabad arrangement this is sufficiently manifest. To repay monthly advances of two lacs each, tunkhas to the amount of thirty lacs had been assigned, nominally or really. But did these tunkhas avail? Evidently not: they were changed or withdrawn at the pleasure of the Minister; and when the order of the Court to put an end to these periodical advances was enforced, the very tunkhas which had been allotted for repayment of them, were withdrawn at the same time from the house, and applied to the paying the troops directly and progressively. And yet the Court, in these paragraphs, in which (Vide tenth paragraph) they admit that "the repayments "were not invariably made as stipulated," express displeasure that the orders of May 1820 had not taken "complete effect," when, in fact, they *had* taken effect, to the extreme point of abrogating the advances, and at the same time, of extinguishing the stipulated means of retribution. Can it be wondered at, that a high rate of interest should be exacted under such circumstances? and can it, with any shadow of reason, be matter of surprise, as it is to Sir Charles Metcalfe,

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Metcalfe, and by adoption to the court, that the debt of the Nizam bearing a high rate of interest, and that interest not paid, should increase at an alarming rate?

On the subject of the Aurungabad arrangement, no more need be said, than that, by the confession of all parties (vide Sir Charles Metcalfe's letter of March 1823), the troops were better paid during its continuance than they were previously to its adoption, or have been since its abrogation.

In the tenth paragraph, the reluctance of the house to produce its accounts is declared to be "ground of suspicion of illicit transactions." I grieve to see the adoption of such reasoning; and cannot but ask also, how the argument (unsound as it is) applies to the present case? In 1819, when the Aurungabad accounts were asked for, they were despatched *instanter* by Mr. William Palmer. The accounts of a house of such general business cannot be produced without sensible and great inconvenience; and their production must be allowed to be attended, to a certain extent, with a breach of private confidence. Yet has not Sir Charles Metcalfe had accounts furnished him respecting the whole of the transactions of the house with the Nizam's Government? Has he not busied himself in analysing them, and extracting therefrom, and from the Minister's accounts, the history of the objectionable bonus, and the equally objectionable allowances to some of the members of the house, charged with heavy interest? Where has there been any of this concealment? and whence has the Court drawn the epithet of illicit, as attached to the transactions *suspected* to exist? It is now well known, from recent legal opinions obtained, that twelve per cent. is the maximum of interest receivable under any of the circumstances at issue. But was that known when the bargains were made? Was not the contrary opinion the prevalent one, as to dealings of natives at least, though British subjects, if beyond the pale of our dominion? Can it now be said, justly or reasonably, that the reluctant production of the accounts justifies a suspicion of this nature, when, in fact, the actual production of them has taken place, and has evinced that no desire of concealment, beyond that felt by all persons engaged in banking transactions, actuated the conduct of the house in this respect.

The grant of a bonus cannot be deemed illicit, or our own loan contractors would have long since been involved in a præmunire. Viewed as an addition to interest discovered to be illegal, a bonus adds to the amount of the illegal earning, but not to the illegality, which an excess of interest beyond twelve per cent. had already established.

The acceptance of pensions or donations from the Nizam's Government by natives and their children, is, I presume, in no degree illegal, and a charge of interest for retarded payments of such allowances, pitiful as it is, is only illegal, from its exceeding the bounds of twelve per cent. The allowance to the deceased Mr. Rumbold, an European British subject, received by him without sanction, may have been an illegal act on his part: but I presume the Court's sweeping sentence intends to go far beyond that insulated case, and is therefore, in my opinion, as a general position, wholly untenable.

In the thirteenth paragraph, the Government is charged with concealment. This, I suppose, has reference to the examination of Sir William Rumbold in 1819, which was not recorded. There was, therefore, nothing to conceal, and the charge is both unfounded and unworthy of the Court, whether the inferences drawn therefrom be intended to apply to the Government or to Sir William Rumbold, which the happy obscurity of the passage leaves in great doubt.

In paragraph fourteen, an affidavit, sworn to by two gentlemen of some rank in society, is declared by the Court to be deceptive, and of no value whatsoever. This is dangerous, and not very guarded language. It would appear that the paragraphs estimate a solemn oath, not by the nature of such an appeal to the Almighty, but by the liability to, or security from, a verdict for perjury. That alternative is, on the contrary, however serious in my opinion, a trifle indeed, when compared with the responsibility here and hereafter attached to so solemn an asseveration: and the Court, I think, should have paused, ere it ventured collectively,

collectively, (and consequently without personal responsibility,) to speak slightingly of so solemn an act, and in concurrence with the casuistry of Sir Charles Metcalfe, to inflict a perpetual stigma of so disgraceful a nature on the character of the individuals in question. At the least, it behoved the Court, in my judgment, previously to becoming the echo to the sentiments of Sir Charles Metcalfe and of the new Bengal Government, to weigh well every word of the affidavit, to trace its origin, and develop its declared object. If so examined, I cannot but think that the Court would have been satisfied, that the design of the affidavit, made at the request of the Noble Marquess himself, was to remove from *his* mind the suspicions excited by the doubts of Mr. Stuart, which had been communicated to his Lordship by Mr. John Palmer, of the partnership in the house of Mr. Russell, the late agent. This suspicion is distinctly repelled by the affidavit. In the denial of participation of profits, it is expressly limited to functionaries at the head of any public office or department, possessing influence from such station; and the denial involves the whole period since the formation of the firm. The affidavit, moreover, names the actual partners at the period of contracting the sixty-lac loan. Why are these limitations found in the affidavit? Why is a chief of office possessing influence specially designated, but because such a person was the declared object of suspicion? Why were not subordinate officers included in the declaration? For the best of all possible reasons: because such persons were not the objects of suspicion; and moreover, because they could not, with truth, have been so included. And why was the partnership at the period of the sixty lac loan only sworn to, but because that was the transaction under discussion, and to which the charges of illegal earnings attached; and because it was notorious, that at an earlier period other persons had been partners, such as Dr. Currie, whose connexion was so far from being a secret, that its dissolution was made matter of public advertisement; and Mr. Rumbold, who had died; and lastly, Mr. Hans Sotheby, who was a cypher at the Residency, and had had, as an act of friendship, large interest allowed him for his money, but who never had taken an active part in the business, and who moreover had been paid off? The affidavit, I must confess, appears to my limited faculties perfectly correct throughout. It aims at establishing certain facts. Whether they be true or not may be proved; but I see no evasion aimed at: and the limitation to heads of offices and to defined periods, shews, as plainly as words can shew, that it meant no more than it says.

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It is a curious circumstance to be found in these multifarious details, that Sir Charles Metcalfe acknowledges to have had this, or some affidavit, laid before him by Sir William Rumbold. He says he scarcely glanced his eye over it; but shortly after states his conviction (a favourite mode of argument of the Resident's), that the affidavit sworn to differs from that which he saw. Who can fail to admire this as the perfection of diplomacy, thus to be able to glance with apparent heedlessness, but with such intuitive faculty, as to arrive at immediate conviction of the identity or non-identity of a paper of some length!!!

I must be permitted a further observation respecting Sir Charles Metcalfe and the affidavit. He gives in detail, in one of his almost innumerable communications, what the affidavit should have been to meet his views. He gives it at full length, though aware, from the information he had derived from the accounts, that it could not have been sworn to by the parties, had he attempted so to entrap them, without the commission of perjury! and had any such affidavit really been tendered to them, I am persuaded it would have been rejected with scorn and indignation.

In paragraph 15, Sir Charles Metcalfe's false delicacy is properly noticed; and, indeed, nothing can be more jesuitical, than statements that the parties were known to him, while he appears to deprecate the disclosure of their names: a proceeding which was certain to produce an order to divulge them. And if any thing can be more disgusting than this farce, it is his attempt, after his notable disclosures, to patch up the characters by fulsome panegyric, which he had so anxiously endeavoured, with or without proof, to destroy.

In paragraphs 18 and 19 it is argued as if the facts of the bonus and of other objectionable matters were known to the Government, while, in truth,

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they were wholly unknown till September 1822: and, on the other hand, it is said, that the existence of former pecuniary dealings of the house was unknown. In the favourite form of a parenthesis, the Aurungabad arrangement and the sixty lac loan are described, as the only two transactions of which Government was cognizant. But, on reference to the application of the house to be relieved from the penalties of the law, it will be found that doubts of the legality of some of their existing pecuniary dealings with the Nizam are stated as the cause of the application; and in the plan of the sixty lac loan, the payment of debts to the house is specifically mentioned by the Minister as one of the objects to be attained by such means. These two transactions cannot, therefore, fairly be said to be the whole that were within the cognizance of Government. Of the bonus, and of the allowances to the partners, the Government were altogether ignorant, and the implication of the Government in the blame (which, if there be any, can only attach to the Resident), although modified by the words, " in so far as they have been countenanced and not " controlled by our Government," is palpably unjust. The blame is absolute, and the words, " in so far," &c., are designed to implicate the Government therein, though wholly ignorant of these transactions till September 1822, when, under date of the 13th of that month, the displeasure of Government was strongly manifested thereat, and instructions were issued to examine into and report upon them: the result of which, in detail, had not, I believe, reached Calcutta, till just before the Marquess of Hastings's departure for Europe.

In paragraph 20, Sir Charles Metcalfe's various testimonies are brought to notice. In one place it is, " according to report," "a person," &c. In another, from the seventy-fourth paragraph of his letter, it is, " as Sir Charles Met- " calfe had heard." In paragraph 77 it is, " a prevalent belief:" and further, " the house is identified with the Minister by the common people." In this paragraph, Chundoo Loll's testimony is of great avail, though in Sir Charles Metcalfe's letter, paragraph 71, he declares it is not to be relied on. Chundoo Loll is said by Sir Charles Metcalfe to declare himself, " if he is to be believed," to have been averse both to the Aurungabad arrangement and to the sixty lac loan, which were forced upon him by the house. Which is to be believed, Sir Charles Metcalfe's *assertion* of Chundoo Loll's *assertion*, or the Minister's own urgent application on record, for such relief to the finances of the Nizam? It is said in this paragraph, that Chundoo Loll, " whether " truly or otherwise," was firmly persuaded that the house of William Palmer and Co. were enabled, by means of their influence at Calcutta, to induce the Supreme Government not to insist on the execution of our instructions. It would appear, from this mass of undigested matter, that the credibility to be attached to Chundoo Loll's assertions, and to every description of rumour, depends wholly on their conformity with Sir Charles Metcalfe's views; and as those views tend on all occasions, to disparage, by every possible inuendo, the Government of Lord Hastings, the " firm persuasion of Chundoo Loll," " whether felt truly or otherwise," is brought forward, to establish the existence of the influence at Calcutta of the house of Palmer and Co. over the Supreme Government. I really blush to think the Court can have been induced to sanction such sophistical inconsistencies.

In paragraph 21, the Government is blamed for its answer to Sir Charles Metcalfe, because it does not accord in the adoption of the whole of his rumours, convictions, and detractions; and the Court steps out of its way to introduce a comparison between this answer to a former letter, quite irrelevant thereto, in which protection is promised to the house of William Palmer and Co., so long as its conduct shall deserve it. The motive of the comparison is too evident to need further mention.

In paragraphs 22 to 28, in which the subject of Chundoo Loll's direct appeal to the Governor-General is treated of, the alleged conspiracy of the house of William Palmer and Co. with the Minister to undermine the Resident is the main feature. The substance of the charge brought forward by the Minister, namely, the excessive interference of Sir Charles Metcalfe, and the degradation of the Minister below a stripling subaltern officer, are not even noticed. The dignified assertion of the Governor-General, that he would not shut

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shut the door to just complaints, is also unnoticed; and the whole of these paragraphs is little better than a rhapsodical echo and outcry against this supposed conspiracy. Why is the provocation received by the Minister wholly overlooked? Why is it not distinctly laid down, how complaints of a Resident's misconduct, or overwhelming assumption of authority, are to arrive at the cognizance of Government? Is a Resident at a foreign durbar to be considered beyond the reach of all representations but those which he may himself furnish or transmit, even though the fact of the non-transmission of Chundoo Loll's letter to Lieutenant Barnett, which it was desired might be forwarded to the sudder, stares us in the face? Can the Court shut its eyes to the danger of such unbounded authority, vested even in persons of acknowledged judgment and discretion? And has Sir Charles Metcalfe evinced those qualities in so eminent a degree, as to render it safe to hold him up as fit to be placed beyond such appeals; as the object of strained eulogium, and as the prototype or model for his successors, or for Residents at other Courts? Surely the Court has overlooked the consequences of this extraordinary exaltation of Sir Charles Metcalfe, who, in his letter of the 31st August 1822, seems already well enough disposed himself to instruct his Government as to the nature of his duties, instead of receiving instructions from them. I need not add, that the views of the Court, adopted in consonance with Mr. Adam's Government, on this part of the subject appear to me highly injudicious, and fraught with much future mischief.

The fourth division of the question, respecting the state of the Nizam's finances, and how they have been affected by the pecuniary transactions of the house, begins, as in the first division, by prejudging the question; and the mild terms of profligacy, blind improvidence, and scandalous prodigality, are showered down by the Court most pitilessly, but without any proof of the justness of their application. The term profligacy I am at a loss to understand as applying to the question. Its reference should, at least, have been defined. Blind improvidence must have reference to the neglect of better means than those adopted at a moment of exigency. But as it has never yet been shewn, that better terms could have been obtained without our guarantee from the Shroffs or elsewhere, the problem of blind improvidence appears far from approaching to demonstration. Scandalous prodigality on the part of the Minister must have reference to the pensions and allowances granted, and must, I think, be acknowledged to be a somewhat outrageous expression, when applied to the acts of the Minister of a State independent of us by treaty, though under the influence which policy and the imbecility of its sovereign have rendered imperiously necessary.

Strange puerilities are to be found in paragraphs 33 and 35; and in paragraph 36 it is said that "the most incredulous would be satisfied," &c.

The incredulous have certainly not been found in the Council; nor, as appears, by the adoption of the paragraphs, in the majority of the Court. But there may still be some sceptics, who require something more than assertion or declarations of solemn conviction to influence their belief, and I declare myself one of them. The incredulous are, forsooth, to be satisfied, that the embarrassments of the State of the Nizam are principally to be imputed to the house of William Palmer and Co., and how? By the fact, that large sums were constantly passing into the coffers of the house, and yet that the debt progressively increased. Wonderful logic this! But I would ask, does such largeness imply adequacy also? If not, and I cannot discover them to be synonimous, the reasoning is nought.

I hope I may be allowed, without a heavy charge of scepticism, to withhold my belief, also, from the assertion of the Resident, in his report of the 14th June, that the sixty lac loan was a fictitious transaction. The Bengal Government, indeed, in their letter of 18th July last, received 21st December, acknowledge that no proof of the truth of this assertion has yet been afforded by ocular inspection of the accounts; and the extreme improbability of such a statement, as the creation of a debt equal in amount to above half a million sterling, without the actual disbursement of a rupee, justify me in the belief, that Sir Charles Metcalfe's knowledge of accounts is extremely limited, and that the facts he adduces, by giving "to airy nothings a local habitation and a name," are wholly

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wholly apocryphal. He brings in the Minister's testimony again, however, on this occasion; and he is made to declare, that a real advance of eleven lacs would have been of equal value to him as this nominal advance of sixty lacs. How can this assertion of the Minister be reconciled with his requisition of sixty lacs, with his declared appropriation of twenty-five lacs to purposes of reform, or with his acquiescence in a bonus of eight lacs, which an actual and immediate advance of a very large sum could alone in any degree justify? These inconsistencies are too glaring to be admitted; and I have consolation in finding that the Court, in its despatch, does not lay very great stress on such manifest absurdities. The paragraph proceeds to say, it is matter of wonder that the Nizam's Government is not ruined by this baneful connection, and that it should not have perished from exhaustion. Here again is a problem to be solved. How a borrower, who does not pay, is to perish from exhaustion. The exhaustion seems to be more likely to attend the lender. It is easy to make these round assertions. But are they true, in fact or in reasoning? Certainly not. The state of the Nizam is neither near to ruin nor to exhaustion. A debt of a crore of rupees may easily be discharged from the resources of a State enjoying a revenue of two crores; and the intended or actual extinction of the debts of the State by means of the peshcush, under Mr. Fendall's recommendation, has clearly shewn the fallacy of these overstrained lamentations.

So much for the predicted ruin and exhaustion! and as for the causes of these imaginary evils, they are, in truth, equally supposititious. It is beyond a dispute that the embarrassments of the Nizam's Government are of much more ancient date, the debt being fifty lacs in 1814 (Vide paragraph 32); and until it shall be proved that money could have been raised in that country at an easier rate without our guarantee, the house must stand acquitted of having occasioned any aggravation of the indigenous evils of the State, beyond what those evils themselves unavoidably occasioned.

As the Court have determined to go so much into these miserable matters, it appears to me it would have been consistent, as well as prudent, previously to decision, to refer the books of William Palmer and Co., which are come home, to the Auditor of Indian Accounts or the Accountant-General, for a report thereon, exhibiting the origin, progress, and actual state of the Nizam's debt to the houte, from its commencement to the latest date. But I am far from recommending such a measure now, after the Court's summary decision on less practical information; and as, by the latest despatches, it appears that the Aurungabad account has been adjusted, and the other accounts are in train to be speedily adjusted, I can only regret that this Hyderabad letter was not laid aside, and another substituted, expressing satisfaction at the final close of these transactions, and laying down much more definitively than the approved Draft has done, instructions to be strictly observed by Sir Charles Metcalfe, and all other Residents at the durbars of native Princes.

In the fifth and sixth divisions of the letter, the propriety of Sir Charles Metcalfe's measures is arraigned, and Lord Hastings' views, recommending less arbitrary interference, are approved, though detracted from, as I have before observed, in reference to matters quite of a different nature. It appears that Lord Hastings took alarm at the excessive interference of Sir Charles Metcalfe in 1821, and laid a Minute to that effect before the Council: and it is to be regretted that his Lordship's unwillingness to impede the progress of Sir Charles Metcalfe's measures, for the Statesman-like reason, that though going far beyond his instructions, they appeared to be adopted in perfect accordance with the Minister, and to be producing beneficial results, prevented the record of that Minute, and the adoption of checks to Sir Charles Metcalfe's zeal, which would have consequently followed. Sir Charles Metcalfe, in the inquiry into his conduct, is certainly entitled to the benefit of this silence, which kept him in ignorance of Lord Hastings' disapprobation of his measures; while the answers he received to his communications respecting them, were such as not to discourage his continuing to pursue them. But still there is no ground for blaming this forbearance on the part of Lord Hastings, arising, as I have observed, from his belief in the Minister's cordial co-operation, and the publication of his opinions, in October 1822, on the receipt of Chundoo Loll's letter, and the exposure of the act of Lieutenant Hislop, with Sir Charles Metcalfe's commendations

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dations of his zeal, unmixed with any blame of the act itself, together with other proceedings complained of, seems to have been no longer matter of choice but of necessity. The whole of this part of the subject is argued in the letter favourably for Sir Charles Metcalfe, and his favouring supporters in Council, although the policy of their views respecting interference is entirely disapproved by the Court; while, on the other hand, every effort is made to disparage Lord Hastings' conduct in this matter, although his political views regarding interference are manifestly consonant with those entertained by the Court. Can any thing be less candid or less dignified than such inconsistency? It is, in truth, almost without parallel; unless it be in the insinuation in Mr. Adam's Minute of the 1st November 1822, quoted approvingly by the Court in paragraph 42, namely: "That not a breath of complaint was heard against Sir "Charles Metcalfe's measures of reform, until other proceedings seemed to affect "the interests and profits of the house of William Palmer and Co." How does such an inuendo affect the justice of the complaint? Not in the slightest degree, must be the answer of all unprejudiced persons. I shall not weary the Court's patience by entering into much further detail in this dissent. There is scarcely a paragraph in the Draft in which the jaundiced view of the question is not discernible; but I shall forbear to notice many more of them, and shall content myself with touching one or two only of the highly discoloured objects under review, and then close these remarks, which the deeply-rooted prejudices I have had to comment upon have drawn out far beyond their designed length. A trait particularly deserving notice is the mode in which the Court have treated the subject of the plans proposed for paying off William Palmer and Co, by means of the guaranty of the British Government. On this point of fiscal arrangement, the endeavours to throw blame on Lord Hastings abound even to excess. It is asked, in paragraphs 60 and 62, why what was negatived in 1820 was sanctioned in 1822? The reasons have been given by his Lordship distinctly: such a measure was believed by the Governor-General to be illegal, and such was the Advocate-General's opinion. The noble Marquess had, moreover, doubts as to the effect of such a proceeding on the Company's pecuniary interests at the conclusion of the Charter. This difficulty, sound or unsound, manifestly sprung from becoming zeal in the Governor-General to protect the interests of his employers. But how is this feeling met in the paragraphs? Not by due acknowledgment of such zeal, but by impeachment of his reasonings, in a tone as if it had been his object to sacrifice, instead of protecting them. When, in 1822, the Governor-General was in possession of the Court's letter of 1821, and construing it as all reasonable men would construe it, and as Mr. Harington, in his minute, has construed it, as an acquiescence in the principle of affording such relief to an ally, *vide* paragraphs forty and forty-one of the Court's letter, though appearing to deny any such views in paragraphs seventy and seventy-one;—When the noble Marquess, I repeat, so construing it, with the aid of Mr. Fendall's suggestion respecting the peshcush, which appeared to make the illegality of the act somewhat more doubtful, determined to accede to the proposition, misconstruction of the Court's letter is directly made a matter of charge: and to close the matter with a ludicrous climax, the Court is made to ask,—And why, as you did so construe it, and determined so to proceed, did you not do it sooner, and thus increase the saving to accrue therefrom to the Nizam's Government? On this inveterate search after faults in the noble Marquess's conduct, no comment can be necessary. And here I cannot but observe, that in my opinion, the Court would have done well to quiet its perturbed and wrangling spirit, and instead of discussing whether or not the real intent and meaning of the incongruous paragraphs on this subject, in the Court's letter of November 1821, had been seized by the Government, it would have shewn somewhat more of practical wisdom, by deciding and giving directions upon the positive fact before them, of the advance of a million from the Company's treasuries, "to advance both our interests and reputation, by a "generous and successful endeavour to serve an ally in time of need." (*Vide* Court's letter, 28th November 1821.) Surely it was of more consequence to say to the Government, "We approve of your act under all the circumstances "before you," than thus to pursue, through endless mazes, what was altogether passed and gone by; leaving the important fact at issue almost without notice, and certainly neither approved nor disapproved. Some querulous sentences

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might still, for the Court's gratification, have remained, on the lateness of our knowledge of such a measure being in contemplation, and on the decision thereon previous to our sanction. But the act being determined upon, and £100,000 already despatched to Hyderabad, I certainly could have desired to see the Court speak definitively and positively on such an appropriation of our resources, which the urgency of the case seems to have rendered imperiously necessary.*

I observe that the Draft, after reprobating the conduct of the Government of Mr. Adam for acceding to Mr. Fendall's plan without the previous assent of the Court, seems to recognize that plan as the best, deeming it exempt from legal objection. I presume, due care has been taken by the Court to ascertain its superior legality. Doubts are expressed, in paragraph 84, of the liability of British officers serving with the Nizam's troops to our martial law; and, in paragraph 86, Mr. Hastings is quoted as saying, they are in truth exempt therefrom. Surely, in a letter from the ruling Power, the expression of doubts on so vital a point is not very enlightening or characteristic of wisdom; and it were well, in my opinion, to remove them from our own minds, rather than thus to communicate them: especially as their transmission from Calcutta to Hyderabad will naturally follow, through some public or private channel, and cannot be expected to improve the discipline of the Nizam's military establishment.

I shall close this dissent with observing, that the strong eulogium pronounced by the Court, at the close of this extraordinary letter, on the merits of Sir Charles Metcalfe, appears to me to be wholly undeserved and highly dangerous. On arriving at the Residency he found the affairs of the Nizam improved and improving. With a restless desire to distinguish himself, he has unsparingly assailed the character of every one who came within his range, including the Marquess of Hastings, his own predecessor, and the Minister Chundoo Loll, whom, however, he is constrained to acknowledge to be the only man in the country fit for his station. In neglect of his positive instructions, he instantly busied himself in the internal administration, to the extent of making new settlements of the revenue for various periods, contemplating even perpetual settlements; and several of these mighty changes were adopted without previous sanction from the Bengal Government, and have been carried into effect with the forced acquiescence of the Minister, under his own instructions, founded on the imperfect knowledge gained in a few months, and under the superintendence of European military officers of all ranks and ages; who, it may be presumed, without disparagement to their capacities, had but very slight experience in such matters. Desirous of unrivalled power, he has evidently contemplated the removal of Chundoo Loll, the ablest man in the country; and his latent endeavours, which I grieve to see the Court encourage, by saying, in paragraph 92, "this point should be settled," instead of saying, it should most seriously be inquired into previously to a single move, seem to be to endeavour to set up the Nizam, whose imbecility is of universal notoriety, as a fit person himself to govern his dominions. Can any one be so short-sighted as not to perceive, that the drift of all this proceeding is to get rid of the only man fit to govern the country, to place an imbecile sovereign in the nominal possession of authority, and then to establish himself in despotic and unrivalled sway? Such, at least, appears to me to be the hoped-for

* N.B. I observe with some satisfaction, that the Board have made an addition to the sixty-third paragraph, giving sanction to the measure, by saying, "we will not now disturb the arrangement." I am still at a loss, however, to account for the incongruity of the last sentence of their addition, *viz.* "That the additional delay required for a reference to us could not have produced material "inconvenience," with the text of the sixty-third paragraph, *viz.* "If it was considered open to "the construction put upon it by the Marquess of Hastings, we are surprised that it was not "acted upon sooner." By this addition, the Court is made to blow hot and cold with the same breath; and it would be desirable that the Board should be requested to modify their addition to the sixty-third paragraph, so as to reconcile it with that paragraph, or alter the paragraph consistently with their addition.

The Board having taken the same view as I have expressed, regarding the necessity of a clear decision on this application of our resources, whether surplus or otherwise, I cannot but regret that they have so hastily returned the letter approved, as the perusal of this dissent might have suggested some further and more important changes.

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for result of those measures. I may be mistaken in attributing such designs to Sir Charles Metcalfe; but that the removal of the Minister, and the bringing forward the Nizam himself to be the ruler, must produce results of that nature, either in the person of Sir Charles Metcalfe or of some other European, to the total destruction of even the nominal independence of the Nizam's dominions, appears to me to be no more than the natural combination of cause and effect.

Of Sir Charles Metcalfe's indefatigable industry in collecting rumours and establishing "*convictions*" upon them, I have said enough. All that is known of the *real* transactions of the house of Palmer & Co. has been drawn from the accounts furnished by themselves and by the Minister; and Sir Charles Metcalfe's merit in these transactions is confined, in my opinion, to his expertness in feeding the insatiable desire which party spirit had engendered, of mixing the name of Lord Hastings with these miserable dealings. By the latest advices, I see all connexion between the house of William Palmer & Co. and the Minister is at an end; which, under the new arrangement for paying off the debts of the Nizam, may do good, and can do no harm. I perceive a strong accusatory letter has been addressed to the Minister, Chundoo Loll, of the justice and propriety of which I permit myself to entertain the strongest doubts; and I observe a repetition of the fulsome eulogium on Sir Charles Metcalfe, which the Court's Letter has deigned to echo. But although I may stand alone in my opinion, I must re-assert, that I consider Sir Charles Metcalfe wholly undeserving of praise in these transactions; and I am constrained to express my fears that, at no distant period, it will be found that that gentleman's merits have been greatly exaggerated, and that vital changes in our relations with the Nizam's Government may be expected to ensue in prejudice thereto, if the Bengal Government be not strictly enjoined to put an end to Sir Charles Metcalfe's unwarrantable encroachments.

To conclude, I beg it may be understood that, although I may appear, by the course of my argument, to have advocated the cause of the house of William Palmer & Co. I have been actuated by no such desire; and I beg to add, that every individual of the house is wholly unknown to me. Were I to judge from appearances only, or from partial statements, I should be inclined to think very unfavourably of the bonus, and of the allowances to the partners of the house, bearing interest. Indeed, it appears difficult to reconcile these transactions, under any explanation, with our European notions: yet am I disposed to concur with Mr. Harington, as stated in his minute, that as the sentiments of Government on this subject, as communicated to the Resident, "are chiefly founded on presumption and inference (however strong such "grounds of imputation may be), it is possible that Messrs. William Palmer "& Co. may be less culpable than, from the evidence before us, we conclude "them to have been."

I have, &c.

London,
19th January 1824.

(Signed) J. PATTISON.

Dissent of the Hon. W. F Elphinstone, Mr. Daniell, and Mr. Mills.

Concurring entirely in the opinions so forcibly expressed in the foregoing paper (with the exception of the solemnity and importance attached to an extra-judicial affidavit), we beg to record our Dissent from the Hyderabad despatch; and more particularly from those paragraphs, where the most erroneous inferences are drawn from unauthenticated statements, and opprobrious terms applied to transactions not as yet investigated.

East-India House,
21st January 1824.

(Signed) WM. F. ELPHINSTONE,
J. DANIELL.
CHARLES MILLS, Jun.

Bengal Political Letter, 7 Mar. 1823.

POLITICAL LETTER FROM BENGAL,
Dated 7th March 1823.

1. In submitting to your Honourable Court the accompanying copies of our correspondence with the Resident at Hyderabad, and other documents connected with the transactions at that court, in continuation of the communication made to your Honourable Court on that subject, in our letter of the 25th January last, we do not deem it necessary to trespass on your time and attention with any detailed observations on the further progress of our proceedings, which will be sufficiently apparent on a reference to the documents themselves.

2. The Governor-General having, in a minute of the 31st January,* expressed his concurrence in the plan suggested by Mr. Harington, of proposing to Rajah Chundoo Loll our redemption of the peshcush, in preference to the advance of a loan from our Treasury, and the other Members of Council being equally impressed with the advantage of that arrangement, we issued the necessary instructions to Mr. Metcalfe,† to avail himself of any favourable opening to effect it. Of the result of those instructions we have not yet received any report from the Resident.

3. Among the documents now submitted to your Honourable Court, you will observe a reference to the Advocate-General,‡ arising out of some doubts expressed in Mr, Harington's minute, as to the construction of the late Advocate-General, Mr. Strettel, of Statute 13 George III, cap. 63, Sect. 30. We took occasion, at the same time, to consult Mr. Spankie, as to the legality or otherwise of British-born subjects in the East-Indies lending their capital, to enable a commercial firm to make a loan to a native Prince, the members of such Firm possessing a special licence, as required by the Act, to engage in such transactions. For Mr. Spankie's opinion on both these points, we beg to refer your Honourable Court to the document itself, as noted in the margin.§

4. The correspondence with the Resident, composing Nos. 15 to 18 in the packet,‖ does not appear to call for any particular remarks. Your Honourable Court will observe, that Mr. Metcalfe, in his letter of the 6th ultimo, has fully exposed the futility of the complaints adverted to in the Minute of his Excellency the late Governor-General of the 19th December last, regarding the injury which the house of Messrs. William Palmer and Co. alleged had been sustained by them, in consequence of the resumption of certain assignments for the payment of the troops.

5. In his letter of the 24th January last,¶ Mr. Metcalfe has reported the scale of allowances which, with reference to that established at Nagpore, had been fixed by him for his Assistants and other British officers employed in the affairs of his Highness the Nizam. We have approved the principle of Mr. Metcalfe's arrangement; but we do not deem it necessary to enter into the details, as we propose to address your Honourable Court in a separate letter, on the subject of allowances drawn by British officers in the service of our native Allies, as soon as we shall have received the necessary information which we have called for from the several Residents. This subject was brought under our notice by Mr. Metcalfe in his letter of the 4th January last,** copies of which, and of our instructions in reply, together with copies of our letters to the Governments of Fort St. George and Bombay, we have the honour to enclose as numbers in the packet.

6. The only remaining subject, as connected with the transactions at Hyderabad, noticed in the documents accompanying this despatch, is that of the appointment of Lieutenant-Colonel O'Brien to be First Assistant to the Resident, and the subsequent correspondence which led to its being cancelled. It will be sufficient to state to your Honourable Court, that Lieutenant-Colonel O'Brien's appointment was proposed by his Excellency the late Governor

* Enclosure No. 1. † Enclosure No. 2. ‡ Enclosure No. 3. § Enclosure No. 4.
‖ Letters of the 6th, 9th, and 10th February, and Answer. ¶ Enclosure No. 6.
** Enclosures Nos. 7 to 10.

Governor-General, and passed on the 2d January last. Previously to the Resident's receiving the official notification of that appointment, but in consequence of his having learnt, through a private channel, that the situation had been offered to Lieutenant-Colonel O'Brien, he addressed a letter* to Mr. Swinton, the Secretary in this department, protesting in very strong terms against the arrangement, and requesting that, if the nomination had taken place, it might be cancelled. on the grounds stated in his letter.

Bengal Political Letter, 7 Mar. 1823.

7. However desirable it appeared to us, on general principles of expediency, that the subordinate officers of the Residency should be persons possessing the confidence of the Resident, and with whom he could co-operate cordially in the execution of the important duties entrusted to his charge, we should have hesitated to cancel an appointment made by the late Governor-General, with the concurrence of his Council, until we had called on Mr. Metcalfe to submit a more explicit statement of the grounds of his protest against that arrangement. While the subject was under our consideration, Lieutenant-Colonel O'Brien brought the question officially before us,† by submitting a copy of a letter which he had received from Mr. Metcalfe, and by requesting to be furnished with a copy of the protest. On that occasion the Governor-General submitted to the Board a note of what had passed at an interview with Lieutenant-Colonel O'Brien in the preceding week,‡ together with the copies of a correspondence between that officer and the Governor-General's Private Secretary. On a consideration of all the circumstances of the case, we were satisfied that the mutual want of confidence, and unavoidable estrangement which must necessarily ensue between the Resident and his First Assistant, constituted a sufficient ground for cancelling the appointment.

8. We accordingly proceeded to cancel the appointment, and have since promoted the Second Assistant, Lieutenant Barnett, to the vacant situation. Lieutenant-Colonel O'Brien has proceeded to England on sick certificate.

9. For the correspondence on this subject, we beg leave to refer your Honourable Court to the documents noted in the margin.§

10. The two despatches from Mr. Metcalfe, dated the 8th and 12th ultimo, and our instructions in reply, forming numbers 19 to 21 in the packet, relate to the adjustment of some points connected with the arrangements arising out of the treaty with the Nizam, lately reported to the Honourable the Secret Committee, and do not call for any particular notice. The payment of our demand against the Nizam, on account of the surplus of revenue, adverted to in the Resident's despatches last-mentioned, will be included in the arrangement for liquidating the amount to be advanced by us for the relief of his Highness's Government. That amount has not yet been settled; but we have already remitted, by a sea conveyance to Masulipatam, upwards of thirty lacs out of the fifty lacs proposed to be sent from the Presidency.

We have, &c.

Fort William,
7th March 1823.

(Signed) J. ADAM,
EDW. PAGET,
JOHN FENDALL,
J. H. HARINGTON.

P.S. Two despatches from the Resident at Hyderabad, dated the 20th and 22d ultimo, having been received since this letter was prepared, we have the honour to transmit copies of them as numbers in the Packet.‖

(Enclosure No. 1.)

Enclosures in Bengal Political Letter, 7 Mar. 1823.

GOVERNOR-GENERAL'S MINUTE.

Governor-General's Minute, 31 Jan. 1823.

I have derived great satisfaction from the perusal of Mr. Harington's minute, relative to the affairs of Hyderabad. It must naturally give me additional confidence

*, Enclosure No. 11. † Enclosure No. 12. ‡ Enclosure No. 13. *
§ Enclosure No. 11 to 14. ‖ Enclosures No. 22 and 23.

Enclosures in Bengal Political Letter, 7 Mar. 1823.

Governor General's Minute, 31 Jan. 1823.

fidence in the sentiments I have already recorded on that subject, to find them confirmed by the opinion of a gentleman of Mr. Harington's acknowledged judgment and experience in public affairs.

I concur entirely in the preference he has expressed for the plan of purchasing the peshcush of the Northern Circars, originally suggested by Mr. Fendall, over the scheme of a loan actually in progress, and in the expediency of furnishing Mr. Metcalfe with instructions to the effect proposed, though I am apprehensive that the measure will not be acceptable to the Minister. It is known to the Board, that the plan was given up in consequence of the decided opinion of the late Governor-General that such an appropriation of the Company's funds was illegal, and of his Lordship's understood determination, on that ground, not to give it his sanction.

It will also be convenient to obtain from the Advocate-General a distinct opinion as to the intent and operation of sect. 30, cap. 63, of the 13th of George III., as proposed by Mr. Harington.

Fort-William,
31st January 1823.

(Signed) J. ADAM.

(Enclosure No. 2.)

Letter from Secretary to Government.

To C. T. Metcalfe, Esq., Resident at Hyderabad.

Sir:

1. Adverting to the former instructions relative to the advance of funds from the Honourable Company's Treasury, to enable Rajah Chundoo Loll to pay off the debts due by the State of Hyderabad, I am directed to intimate to you, that if any favourable opportunity should offer for proposing to the Minister the redemption of the peshcush, in place of an advance by way of loan, you will not fail to avail yourself of it.

2 The Honourable the Governor-General in Council is fully aware, from your despatch of the 8th September last, that Chundoo Loll is supposed to entertain a disinclination to the measure here suggested. It is not, therefore, the intention of Government, that you should directly propose to the Minister to make any alteration in the terms which have already been agreed to by him: but it is conceived that you may yet see some opening for the proposition, and, in that event, you will offer it for his acceptance, partly on the ground of its saving the necessity of an annual settlement of accounts, as well as superseding the assignment and contingent occupation of the districts to be given in mortgage, but especially, as it would leave the Nizam's Government in full possession of the revenue of the districts proposed to be set aside for the discharge of the principal of the loan. This would materially facilitate the accomplishment of the plans of reform and improvement which have been undertaken by the Minister, in co-operation with the British Government, and have in view the important object of keeping down the future annual expenditure of the Nizam's Government within the amount of its resources, under a permanent and moderate assessment of the land revenue.

I have, &c.

Fort-William,
31st January 1823.

(Signed) G. SWINTON,
Secretary to the Government.

(Enclosure No. 3.

Letter from Secretary to Government.

To R. Spankie, Esq., Advocate-General.

Sir:

1. I am directed by the Honourable the Governor-General in Council to transmit to you the accompanying copy of a letter from the late Advocate-General, Mr. Strettel, in reply to a reference from the Governor-General in Council, of which, and of the application to which it refers, copies are also enclosed.

2. The Governor-General in Council being desirous of obtaining a more explicit opinion than is given by Mr. Strettel in the enclosed letter, as to the application of statute, 13 George III, cap. 63, sect. 30, to British subjects in the

the East-Indies, whether residing within or without the limits of the Company's settlements, I am directed to request that you will state your opinion on that point, referring at the same time to the statutes now in force, which extend the jurisdiction of the King's courts of judicature, at this Presidency and at Fort St. George, over his Majesty's British subjects in every part of India.

Enclosures in Bengal Political Letter, 7 Mar. 1823.

Letter from Secretary to Government.

3. An extract from a letter from the Honourable Court of Directors of the 28th November 1821* accompanies, for your eventual reference.

4. You will also be pleased to state your opinion, whether British-born subjects in the East-Indies, lending their capital to a commercial firm, consisting of British and native partners, for the special purpose of enabling that firm, with such borrowed capital, to make a loan to a native Prince, under a special licence granted to the said commercial firm to make such loans or advances, in conformity with the provisions of 37 George III, cap. 142, sect. 28, subject themselves to the penalties of indirectly lending money to a native Prince, as prohibited by the above legislative enactment.

I have, &c.

Council Chamber,
31st January 1823.

(Signed) G. Swinton,
Secretary to the Government.

List of Documents referred to the Advocate-General with letter of the 31st January 1823:

From Mr. Strettel, 19th July 1816.
Ditto Resident at Hyderabad, 27th June.
Memorial from Messrs. William Palmer and Co., 27th June.
To Mr. Strettel, 13th July.
To Resident at Hyderabad, 23d July.
To Messrs. William Palmer and Co.
Copy of Licence.

(Enclosure No. 4.)

To George Swinton, Esq., Secretary to Government, Political Department.

Letter from Advocate-General.

Sir:

1. I have the honour to acknowledge the receipt of your letter, dated 31st ultimo, with the accompanying papers, and requesting my opinion on the points therein stated for the information of the Honourable the Governor-General in Council.

2. With reference to Mr. Strettel's opinion, incidentally stated, on the effect of the 13th Geo. III, cap. 63, as to the usurious securities, Mr. Strettel appears to have in view a case of loan at usurious interest to natives or others, not within the 37th Geo. III, cap. 142, sect. 28; and he thinks, or seems to think, I apprehend justly, that the security might be void, though not given on the loan made within the Company's settlements, if made on and in furtherance of such usurious and illegal contract originally so made. It is to be observed, that the act makes the *taking* usurious interest penal, and the *taking* is essential to the offence and to the recovery of penalties. In aid of the general policy, the act makes the *security* void, or *irrecoverable*, as between borrower and lender, though there may not have been a *taking* by which the penalty is incurred. It does not appear to me, however, that this part of Mr. Strettel's opinion is immediately or much connected with the points submitted to him, or the general questions referred to me.

3. The 13th Geo. III, cap. 63, sect. 30, has no reference to the case of loans to native Princes, but is against usury, that is contracting for more than twelve per cent. generally. The form of proceeding under that statute generally, which is analogous to that in a civil action, and the mode of recovery clause (30) referred to, points out the chief count *in the settlements of the Company, where the offence*, that is the illegal taking, *has been committed*, as the count for the recovery of penalties. I do not think, however, that although the security might be void, for the above reasons, any extension of jurisdiction, in cases of general

* Paragraphs 6, 7, 31, 42, and 78.

Enclosures in Bengal Political Letter, 7 Mar. 1823.

Letter from Advocate-General.

general offences and misdemeanour, hereafter mentioned, would extend this clause to persons, that is British subjects, guilty of the *offence out* of the Company's settlements, or admit the recovery of penalties for a *taking* out of the Company's settlements.

4. The Acts extending the jurisdiction of the King's courts, in cases of crimes committed in India generally, are the 26th Geo. III, cap. 57, sect. 29, and the 33d Geo. III, cap. 52, sect. 67, which seem to comprehend every case of crimes and offences to be proceeded against *criminally*.

5. I am of opinion, that to make any secondary and contributing steps for the lending of money to foreign Princes criminal, under the 37th Geo. III, the first must be so, that is to say, lending money to a person, whether Native or British, or mixed, for the *purpose of being lent to a* native Prince, is illegal, (being declared so by the 37th Geo. III, cap. 143, sect. 28,) but it is only illegal as subsidiary to the offence prohibited; and as the licence removes the illegality in the principal and immediate lenders, the illegality ceases throughout in all the secondary and accessary proceedings forbidden. The 37th Geo. III. is very comprehensive in its provisions, and British subjects lending to native Princes, or contributing to unlicensed loans, could hardly escape.

6. While a licence for the pecuniary dealings with the Nizam existed, I think it impossible that any persons lending to the principals, for the purpose of the original loan, could be deemed to have offended against the law; and that, in such circumstances, no prosecution could succeed, even if the strict legality of the licence, under the 37th Geo. III, to protect the general course of dealing entered into by Messrs. William Palmer and Co., were doubtful.

I have, &c.

Fort-William,
14th February 1823.

(Signed) R. Spankie,
Advocate-General.

(Enclosure No. 5.)

Letter from Resident at Hyderabad, with Enclosures.

To G. Swinton, Esq. Secretary to Government, Fort-William.

Sir:

I have the honour to transmit copies of a despatch from Fort St. George, and of my reply.

I have, &c.

Hyderabad Residency,
Camp Wyrang,
27th January, 1823.

(Signed) C. T. Metcalfe.
Resident.

To the Military Secretary to Government, Fort St. George.

Sir:

I have the honour to express the request of his Excellency the Commander-in-Chief, that you will bring to the notice of Government the accompanying copies of correspondence which has passed on the subject of a native officer's guard of infantry having been recently furnished as an escort to Sir William Rumbold, Bart., on his route from Secunderabad to the Presidency. As this gentleman does not hold any public situation, either civil or military, under any of the Governments of India, it was his Excellency's intention to have ordered this guard to be immediately withdrawn, had it not appeared from Colonel Boles's second communication, that it had been ordered under the sanction of the Resident; a circumstance which has induced his Excellency to restrict himself to bringing the fact to the notice of Government.

I have, &c.

Fort St. George,
31st December 1822.

(Signed) R. B. Otto,
Quarter-master General.

To

Enclosures in Bengal Political Letter, 7 Mar. 1823.

Enclosures in Resident's Letter.

To the Quarter-master General of the Army, Madras.

Sir:

Sir William Rumbold, Bart., being about to proceed to Madras, I have the honour to acquaint you that a guard, of the strength detailed in the margin,* has been furnished to him.

I would therefore beg leave to suggest this guard being relieved before it reaches the Presidency; and, with this view, I have ascertained from Sir William Rumbold, that he proceeds by the route of Angole, and will leave this about the 6th instant.

I have, &c.

Head-Quarters, Secunderabad,
2d December 1822.

(Signed) T. Boles,
Colonel commanding Hyderabad Subsidiary Force.

To Colonel Boles, commanding Hyderabad Subsidiary Force.

Sir:

I have the honour to acknowledge the receipt of your letter of the 2d instant, reporting that a native guard (therein detailed) had been ordered to accompany the march of Sir William Rumbold to Madras.

In reply, I am directed to request that you will state, for the information of his Excellency the Commander-in-Chief, under what authority the guard in question has been furnished to this gentleman.

I have, &c.

Quarter-master General's Office,
Fort St. George,
12th December 1822.

(Signed) J. Hanson,
Deputy Quarter-master General.

To the Quarter-master General of the Army.

Sir:

I have the honour to acknowledge the receipt of your letter, under date the 12th instant, and in reply to acquaint you, for the information of his Excellency the Commander-in-Chief, that the guard furnished to escort Sir William Rumbold, Bart., was detached on that duty under the sanction of the Resident.

I have, &c.

Head-Quarters, Hyderabad,
19th December 1822.

(Signed) T. Boles,
Colonel commanding Hyderabad Subsidiary Force.

To C. T. Metcalfe, Esq., Resident at Hyderabad.

Sir:

1. I am directed by the Honourable the Governor in Council to transmit to you the enclosed copy of a communication from the Quarter-master General of the Army, reporting a native officer's guard of Infantry to have been furnished from the Hyderabad Subsidiary Force, to Sir William Rumbold, Bart., proceeding from Secunderabad on a visit to Madras.

2. The Governor in Council would have been happy, on this occasion, as the escort is stated to have been ordered under your sanction, to signify his concurrence in that arrangement: but as the grounds upon which Sir William Rumbold's journey to Madras may have been thought to require the attendance of a guard are not before him, the Governor in Council has directed me to observe, that the Regulations of this Presidency do not admit of its regular troops being employed as guards or escorts, except in cases where the officer or individual whom they may be appointed to attend is employed on the public service.

I have, &c.

Fort St. George,
17th January 1823.

(Signed) E. Wood,
Chief Secretary.

To

* One native officer, 2 havildars, 2 naiquees, and 30 sepoys.

Enclosures in Bengal Political Letter, 7 Mar. 1823.

Enclosures in Resident's Letter.

To E. Wood, Esq., Chief Secretary.

Sir:

1. I have had the honour of receiving your letter of the 17th instant, relating to the guard furnished to Sir William Rumbold from the Hyderabad Subsidiary Force.

2. I beg you to explain to the Honourable the Governor in Council, that I am sensible that Sir William Rumbold is not entitled to a guard, and that the following are the circumstances under which he was furnished with one on the late occasion.

3. That gentleman made an application to Colonel Boles, and the latter undertook to apply for my sanction. I was sensible, at the time, that the measure was objectionable; but I abstained from offering any obstruction, because Sir William Rumbold having been furnished with guards on former occasions, during the Residency of my predecessor, and there having been for some time past a total alienation between Sir William Rumbold and me, and an entire cessation of intercourse and acquaintance, in consequence of certain transactions at this Court, I was apprehensive that objections on my part to the measure proposed, would be ascribed to personal dislike rather than to public duty; and I shrank from the imputation of being induced, by private pique or resentment, to deprive an enemy of advantages which he had before habitually enjoyed. I do not mean to justify this weakness, but merely to explain the real circumstances of the case.

4. Having given my sanction, I of course became answerable for the measure, and I trust that nothing that I have said will be understood as putting off any part of the responsibility on any other person.

5. In consequence of the sentiments expressed in your despatch, I shall now request Colonel Boles to withdraw the guard, if that has not already been done.

I have, &c.

Hyderabad Residency,
Camp, Wyrang,
27th January 1823.

(Signed) C. T. METCALFE,

(Enclosure No. 6.)

Letter from Resident at Hyderabad.

To G. Swinton, Esq., Secretary to Government.

Sir:

1. On the 14th June 1821, I reported to you, in a private form, the arrangements which I had then in contemplation, for the employment of British officers for the purpose of checking oppression and violation of faith on the part of the native Authorities of the Nizam's Government; and described, generally, the scale of allowances which it was proposed to grant, on the part of the Nizam's Government, to officers so employed.

2. I have recently learnt, that a further official report was expected from me on that subject. I beg leave to apologize for the omission, which I now have the honour to supply.

3. The duties on which those officers are employed have been repeatedly noticed. That part of the arrangement which related to the discharge of those duties, was partially in operation at the time of my addressing you, and was subsequently extended. That part which related to the grant of allowances on account of those duties, did not commence to take effect until November 1821, by which time savings had been accomplished, for the purpose of meeting the expense thereby occasioned.

4. The principles adopted in according allowances were these. That for additional services, additional allowances were proper; and that the allowances should be suitable to the nature and importance of the duties, as far as was consistent with due attention to economy.

5. In carrying these principles into effect, it was determined that the allowances of the several officers employed, which varied in amount, should be made

Enclosures in Bengal Political Letter, 7 Mar. 1823.

Letter from Resident at Hyderabad.

made up to a fixed sum. The sum fixed as proper was 2,000 Hyderabad Rupees, equal to 1,500 Sicca Rupees, according to the estimated real and current difference of those coins.

6. The officers employed were either Assistants to the Resident or officers attached to the Nizam's service. The former, of course, had allowances from the Honourable Company, and the latter from both the Company and the Nizam. The aggregate of allowances drawn by each being taken, a sum was added to make up the amount before stated.

7. In two instances, the allowances received by officers of the Nizam's service, so employed, exceeded the sum mentioned; in which cases, the first principle of the arrangement was set aside, and it was not thought necessary to give them any additional allowance.

8. Those whose allowances were to be made up to the amount stated, derived some advantage from not having their Company's allowances rigidly reduced to Hyderabad rupees, and thereby received something in excess to the proposed sum.

9. The following figured statement will explain this arrangement more clearly, perhaps, than any verbal description.

First Assistant's allowance from the Honourable Company.....Sicca Rupees	750
Addition from his Highness the Nizam, Hyderabad Rupees,	1,250
Total.....Sicca and Hyderabad Rupees.....	2,000
An officer attached to the Nizam's service.—Pay and allowance from the Company, Sonat or Madras, or Bombay Rupees, say.....	300
Military allowance from the Nizam, Hyderabad Rupees, say.....	1,000
Additional allowance for civil duties, Hyderabad Rupees	700
Total Sonat, or Madras, or Bombay, and Hyderabad Rs.	2,000

10. In such cases, the aggregate allowances in some degree exceeded the intended limit of 1,500 Sicca rupees per mensem; but in others, in which the allowances have been subsequently fixed, they fall considerably short of that amount, not exceeding thirteen or fourteen hundred Hyderabad rupees.

11. To each officer employed, whose duties required only an English or only a native office, one hundred Hyderabad rupees per mensem was allowed for writers and stationery; and to those who required both, two hundred, being one hundred for each.

12. The continuance of these allowances, subject to the approbation of the Governor-General in Council, depends on the continuance of the measures which have rendered them necessary; and they will, of course, cease, whenever we may be able to withdraw from our interference in the affairs of the Nizam's country.

13. In proposing to the Nizam's Government the arrangement above described, I had in view that which exists in the Nagpore territory, and the general scale of allowances drawn by the Resident's Assistants, and the other officers employed in civil duties in that country.

14. The civil allowances granted by the Nizam's Government are paid from the Residency Treasury, and the account is settled by the Resident with the Nizam's Government.

I have, &c.

Camp, Tooljapoor,
24th January 1823.

(Signed) C. T. METCALFE,
Resident.

(Enclosure

Enclosures in Bengal Political Letter, 7 Mar. 1823.

Letter from Resident at Hyderabad, with Enclosures.

(Enclosure No. 7.)

To G. Swinton, Esq., Secretary to Government.

Sir:

1. I have the honour to submit a copy of a despatch from the Chief Secretary to the Government of Fort St. George, for the consideration and orders of his Excellency the Governor-General in Council.

2. Conceiving that commands from the Honourable Court of Directors to the Government of Fort St. George, relating to native Courts, can only be meant to apply to those Courts whereat the British Representatives are under the immediate control of that Presidency, and that the regular channel for any information to the Honourable Court, regarding the affairs of the Nizam's Government or army, must be through the records of the Supreme Government, I shall defer the transmission of a reply to Mr. Wood's despatch, until I receive instructions from you for my guidance.

I have, &c.

Camp, Mundewunpillee, 4th January 1823. (Signed) C. T. METCALFE, Resident.

P.S. I have not thought it necessary to trouble you with the list which accompanied Mr. Wood's letter, being a list of officers of the Madras Establishment in the service of his Highness the Nizam.

(Circular.—Political Department.)

To the Resident at Hyderabad.

Sir:

I am directed by the Honourable the Governor in Council to transmit to you the accompanying Extracts from a list furnished by the Military Auditor-General, and to desire that, in conformity with the subjoined instructions of the Honourable the Court of Directors, you will insert in the column left, for this purpose, the amount of the remuneration for their services received by the several officers therein named, specifying the manner in which their respective allowances are paid.

I have, &c.

Fort St. George, 3d December 1822. (Signed) E. WOOD, Chief Secretary.

EXTRACT *from a General Letter from the Honourable the Court of Directors in the Political Department, dated* 11*th April* 1821.

Par. 10. We must observe, with respect not only to this officer, but to all others similarly circumstanced, that the practice of allowing any of our servants to be remunerated, either in whole or in part, by the native Princes with whom they may be officially employed in our service, is most objectionable in principle. In cases in which the Company's officers may be employed in the immediate service of native Governments, it is undoubtedly proper that those Governments should bear the charge of their remuneration, but the amount should be fixed by an arrangement between those Governments and ours, and the payment should be made from the Company's Treasury, to which the native Governments should repay the amount. We direct that these principles be invariably observed. 1st. That the Company's officers, employed in the Company's service at native Courts, shall not receive, either directly or indirectly, any additional remuneration from those Courts. 2dly. That Company's officers, in the immediate service of native Powers, shall have the amount of their remuneration fixed and paid in the manner above specified; that this remuneration shall, in no case, be added to, either by the native Princes themselves or at their suggestion; and that the amount so authorized shall always distinctly appear on our book of establishments. We desire also to be immediately furnished with a list of all the officers employed in both the modes above-mentioned, and the amount of their respective allowances, specifying the funds on which they are charged, and the manner in which they are paid.

(Enclosure

Enclosures in Bengal Political Letter, 7 Mar. 1823.

(Enclosure No. 8.)

To C. T. Metcalfe, Esq., Resident at Hyderabad.

Letter from Secretary to Government.

Sir:

1. I am directed to acknowledge the receipt of your despatch of the 4th ultimo, submitting a copy of a despatch to your address from the Chief Secretary to the Government of Fort St. George, relative to the allowances received by Company's officers from his Highness the Nizam, and to transmit to you, for your information, a copy of a letter which I have been instructed to write to Mr. Wood on the subject of it.

2. Although the Honourable the Governor-General in Council does not take the Honourable Court's order in the extended sense in which it has been construed by the Government of Fort St. George, yet it appears extremely desirable that a regular statement should be furnished of all allowances paid by his Highness the Nizam to British officers, civil or military, in his employ, whether belonging to the King's or Company's service, specifying the mode in which they at present receive such allowances, whether directly from the treasury of his Highness, or through the British Resident.

3. You will accordingly be pleased to prepare and submit such a statement for the information of the Honourable the Governor-General in Council, specifying the names of the individuals, and the service and establishments to which they may respectively belong.

I have, &c.

Fort-William, 7th February 1823.

(Signed) G. Swinton, Secretary to Government.

(Enclosure No. 9.)

To Edward Wood, Esq., Chief Secretary to the Government of Fort St. George.

Letter from Secretary to Government.

Sir:

1. The Resident at Hyderabad having submitted to the Honourable the Governor-General in Council a copy of your circular letter to his address of the 3d December last, relative to the allowances of British officers in the service of the native Princes, I am directed to state to you, for the information of the Honourable the Governor in Council of Fort St. George, the following observations on the subject of it.

2. From the circumstance of no specific order from the Honourable the Court of Directors having been addressed to the Supreme Government, similar to that conveyed in their letter to the Government of Fort St. George; of which an extract accompanied your circular letter above referred to, it appears to the Honourable the Governor-General in Council, that the Honourable the Governor in Council has given a wider construction to the order than was the intention of the Honourable Court. That order appears to have had special reference to the case of Captain Macdonald, who received a salary from the general treasury at Madras, as Government Agent with the Nabob of the Carnatic. The Nabob having expressed a desire to make an augmentation to his salary, by paying him an additional allowance from his own funds, the Government of Madras had objected to his receiving such a remuneration directly from the Nabob, as contrary to established usage, but had allowed him to draw the amount from the general treasury, to be deducted from his Highness's fifth share of the revenues of the Carnatic. The case of British officers in the military service of our native allies does not, however, appear to the Honourable the Governor-General in Council to be exactly similar to that of the Political Agent at Chepauk, as the allowances of those officers have already been fixed, as prescribed by the Honourable Court, under arrangements between the British Government and the native Princes, to whom they have been lent. Accordingly, no order has been received by the Supreme Government from the Honourable Court, who would undoubtedly have issued similar instructions to this Government, had it been their intention that the arrangement they have prescribed in their letter to the Government of Fort St. George, should be carried into effect generally, with regard to all

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Letter from Secretary to Government.

British officers in the service of the native Princes. It may be remarked, indeed, that the Honourable Court have not even alluded to the officers in his Majesty's service employed by the native Princes; and it is evident the arrangement, if intended to be general, would be incomplete, were the allowances of the king's officers not included.

3. It appears to the Honourable the Governor-General in Council, that in all cases where it would be inconvenient to bring large and fluctuating charges incurred by our native allies, on account of British officers permanently or temporarily employed by them, on our books of establishments, the spirit of the Honourable Court's order will be fulfilled, by our requiring that no allowance, gratuity, or remuneration, shall be paid by any native Prince to a British officer in his service, without the privity and sanction of the British Government, and that all such allowances shall be paid through a British treasury, or under a specific arrangement to be concluded between the Government and such native Prince.

4. The Honourable the Governor-General in Council accordingly proposes to call on the Residents at Hyderabad and Nagpore, as well as the Residents at the other native Courts where British officers are so employed, to prepare and submit a statement, specifying the names of the individuals, and the amount of the allowances or remuneration received by each, and shewing in what mode payment is made; and the Governor-General in Council suggests the expediency of a similar statement being called for by the Government of Fort St. George, from the several Residents under its authority, and will be happy to receive from the Honourable the Governor in Council a copy of that statement when prepared. If these statements be submitted periodically by the Residents, for the information of Government, every object which the Honourable Court would have had in contemplation will, it is conceived, be satisfactorily attained.

5. Although the instructions of the Honourable Court have not been directly addressed to the Supreme Government, yet as appearing in their wider construction to embrace the cases of the British officers employed by our native allies generally, our political relations with whom are more immediately under the superintendance of this Government, the Honourable the Governor-General in Council proposes to refer the question for the Honourable Court's further consideration and orders, as soon as the necessary statements shall have been received. Under these circumstances, the Honourable the Governor in Council will probably not deem it necessary to require from Mr. Metcalfe the information called for in your circular letter. On the receipt from that officer, of the statement which he will now be directed to submit to this Government, the Honourable the Governor-General in Council will be happy to transmit, for the information of the Honourable the Governor in Council, a copy of that part of it, which will exhibit the allowances, &c. received by officers on the establishment of Fort Saint George.

I have, &c.

Fort-William,
7th February 1823.

(Signed) G. SWINTON,
Secretary to Government.

Letter from Secretary to Government.

(Enclosure No. 10.)

To F. Warden, Esq., Chief Secretary to the Government at Bombay.

Sir:

1. I am directed by the Honourable the Governor-General in Council to transmit, for the notice of the Honourable the Governor in Council, the enclosed copies of a despatch from the Resident at Hyderabad, and of letters which I have addressed, in consequence, to Mr. Metcalfe, to the Chief Secretary at Fort St. George, to the Resident at Nagpore, and to the several Residents and Political Agents under this Presidency.

2. The Honourable the Governor-General in Council concludes, that in conformity with the wishes of the Honourable the Court of Directors, as expressed in their letter to the Government of Fort St. George, the Honourable

able the Governor in Council will direct a statement to be prepared of all allowances received by British officers in the service of the native Princes, with whom the conduct of our political relations may be vested in the Government of Bombay. The Governor-General in Council will be happy to receive a copy of such statement when prepared.

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Letter from Secretary to Government.

3. With regard to King's or Company's officers belonging to the Presidency of Bombay, who may be employed at the Courts of native Princes, under the orders of the Supreme Government, a list of all such officers, with a statement of their allowances, will be transmitted to the Honourable the Governor in Council, as soon as the general statements now called for shall have been received.

I have, &c.

Fort-William,
7th February 1823.

(Signed) G. SWINTON,
Secretary to Government.

(Enclosure No. 11.)

Letter from Resident at Hyderabad.

To G. Swinton, Esq., Secretary to Government, Fort-William.

My dear Swinton:

I have heard with great uneasiness, that Lord Hastings has offered the First-Assistantship at this Residency to Lieutenant-Colonel O'Brien, and that the latter has accepted it.

I have not the most distant idea of presuming to object to any nomination made by the Government: I do not, therefore, dwell on the mortification which I must feel, at finding those Assistants superseded, who have most zealously and ably performed their duties under me. Considering this as a measure, the justice of which must have been agreed on before Lieutenant-Colonel O'Brien's appointment could have taken place, I shall not venture to offer any opinion on that part of the subject: but it is due to myself, and I think also to Lieutenant-Colonel O'Brien, to apprize you, that there are circumstances which render it impossible that I can ever employ Lieutenant-Colonel O'Brien with the confidence which ought to be given to the officer holding the situation of First Assistant.

These circumstances are of a nature, indeed, to make it impossible that he can render me any aid whatever; for the duties of all the Assistants under me are such as require a high degree of confidence, and without confiding in them, I feel that I could not act with them with any comfort to myself, or, which is of more consequence, with any benefit to the public service.

The circumstances to which I allude are such as I should be sorry to be compelled to bring to the notice of Government; and I hope that it will be deemed sufficient for me to declare my solemn conviction, founded on those circumstances, that Lieutenant-Colonel O'Brien cannot possibly be employed under me, with any advantage to the public interests.

On these grounds I beg you, if Lieutenant-Colonel O'Brien's appointment shall have taken place, to submit my most respectful, but earnest entreaty to the Government, that it may be cancelled.

This is a daring request, I am sensible; and nothing but a strong conviction of the evil consequences of that appointment could induce me to offer it.

I should explain, that I have no personal quarrel with Lieutenant-Colonel O'Brien. I was acquainted with him many years ago. Nothing of a private nature has ever occurred to disturb our amity, and I look on him as a pleasant companion: but the circumstances to which I have alluded must ever prevent his being an useful Assistant to me, and would render his appointment at this place peculiarly undesirable.

I address this to you, without knowing that Lieutenant-Colonel O'Brien's nomination has actually taken place, in order that I may not lose time, under a possibility of the questions being under discussion when this letter may arrive. If the appointment has not taken place, and be not in contemplation, I request that you will destroy this letter, or return it to me.

If

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Letter from Resident at Hyderabad.

If my request be complied with, I can have no objection to Lieutenant-Colonel O'Brien's knowing that I have submitted it. Indeed, if I have any communication with him, I shall think it due to both of us to let him know what I have done.

I cannot refrain from adding a further entreaty, if Lieutenant-Colonel O'Brien's appointment be cancelled, that Lieutenant Barnett, Mr. Wells, and Mr. Bushby, may be nominated in succession to the First, Second, and Third Assistantships; because I feel it to be due to their public services and honourable characters, that I should exert myself to the utmost in their behalf. But I beseech you to understand and explain, that my objections to Lieutenant-Colonel O'Brien rest on totally distinct grounds, and are not caused by the disappointment which I feel at the supersession of those who are entitled to my warmest gratitude and applause.

I write in this form, because I have no wish to bring unnecessarily on the records my objections to Lieutenant-Colonel O'Brien; but if it be deemed necessary, this letter may be considered official: and if it be further deemed indispensable, I do not mean to shrink from openly stating the grounds of my objections; but I hope that I shall be excused from that most unpleasant task.

Your's, &c.

Camp, Kulburga,
18th January 1823.

(Signed) C. T. METCALFE.

(Enclosure No. 12.)

Letter from Lieut.Col.O'Brien.

To G. Swinton, Esq., Secretary to Government in the Political Department.

Sir:

As a painful duty, yet imperiously called on by every thing which man owes to himself, I have the honour most respectfully of submitting a copy of a letter received yesterday from Mr. Metcalfe, Resident at Hyderabad, in answer to a letter from me acquainting him of my nomination, for the purpose of being laid before the Governor-General in Council.

I should not presume to intrude myself on the Government, was it not that the following paragraph is positive: "I have protested against your "nomination to be my First Assistant, and have requested that it may be "cancelled." I humbly beg, with every due submission to Government, that I may be furnished with a copy of such protest, that I may be made acquainted with the grounds on which the objection is founded. I owe it to myself, I owe it to the high character of the enlightened nobleman who selected me for the situation, and I owe it to my future interests, both in India and in Europe, to solicit a copy of the protest.

I have, &c.

Chowringee,
10th February 1823.

(Signed) L. O'BRIEN, Lieutenant Colonel,
First Assistant to the
Resident at Hyderabad.

(Private.) To Lieutenant Colonel O'Brien.

My dear Colonel:

Letter from Resident at Hyderabad.

I am obliged to you for your kind letter of the 6th instant, in replying to which I have a most painful task to perform. I have protested against your nomination to be my First assistant, and have requested that it may be cancelled. No explanation of this step can render it satisfactory to you: suffice it therefore to say, that I consider it imposed on me as a duty, by the unprecedented predicament in which I am placed; a duty which I owe to myself, and my fellow-labourers in this scene. Of the merit of my request, I cannot, of course, pretend to form any judgment; but if you come eventually, you will come to a business of contention and strife. You will find it impossible to avoid taking a part on one side or the other, and whichever party you espouse, I cannot conceive that you will find your situation a pleasant

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Letter from Resident at Hyderabad.

pleasant one. I should deceive you grossly and unwarrantably, were I to leave you to suppose that your nomination is acceptable to me. It is, in truth, extremely disagreeable. You are not perhaps aware, that it was a parting token of Lord Hastings's resentment, done purposely for my annoyance, in violation of a previous understanding that Barnett should be my First Assistant. I see no prospect of comfort or advantage to you or myself from your coming here. I do not say this to deter; for I have no right, and do not presume to attempt to bias your resolutions: I say it merely to warn you of probable consequences, in order that I may be clear of the charge of deceiving you, even by a tacit and seeming acquiescence. Candour has demanded this open declaration; to which I can add, with perfect sincerity, that I truly and deeply regret, that circumstances should ever have forced me to act a part apparently so unfriendly.

Yours, &c.

Camp, Alow,
21st January 1823.

(Signed) C. T. METCALFE.

(Enclosure No. 13.)

GOVERNOR-GENERAL'S MINUTE.

Governor-General's Minute, 11 Feb. 1823.

The tenor of the letter from Lieutenant-Colonel O'Brien, which will be circulated by the Secretary in the Political Department, requires some remarks from me, with reference to what I stated in Council on Friday last, regarding that officer's intention of proceeding to Europe. I am quite positive in my recollection of what passed on that subject, at the interview I had with him. I took a memorandum of the substance of our conversation immediately after it passed, I mentioned it to my colleagues on entering the Council-Chamber within an hour of its having taken place, and, if any additional testimony were necessary, I may adduce that of Captain Lockett, my Aid-de-camp, by whom Lieutenant-Colonel O'Brien was introduced into my room, and who afterwards told me, that the Lieutenant-Colonel had informed him that the object of his visit to me was to notify that intention. It has since been mentioned to me by other officers, as given out by Lieutenant-Colonel O'Brien.

At the interview referred to, Lieutenant-Colonel O'Brien shewed me the letter from Mr. Metcalfe, of which he has now sent a copy, and at the same time gave into my hands one addressed by him to Mr. Metcalfe, which he declared it to be his intention to despatch. The tenor of that letter was, that he (Lieutenant-Colonel O'Brien) felt that he had been made a tool of, that the office had been offered to and not sought by him, that he had no conception that his appointment would be objectionable to Mr. Metcalfe; that after the receipt of his letter he could never think of entering the family of Mr. Metcalfe or joining the Residency; and that, although he had incurred considerable expense in preparations, his resolution was to return to England, and not to proceed to Hyderabad. The tenor of the letter appeared to me to express a very proper feeling on the subject, and I stated that opinion to Colonel O'Brien. Lieutenant-Colonel O'Brien stated to me his hope, that he should be allowed to see Mr. Metcalfe's "protest." I begged to wave all discussion of that point, apprizing him that I had not had any communication with my colleagues on the subject of that document, and that till I had, all that was to pass between us must be considered without any reference to what might be the result of the deliberations of Council on that subject. Colonel O'Brien did not give me to understand that he meant to make any official application to Government regarding the protest, or any other part of the business. He expressed a hope, that what he termed the cancelling his appointment would be effected in such a way as not to wound his feelings, or injure his character, and spoke of the honour of a soldier as being necessary to be maintained. I told him, I thought all difficulty or embarrassment on that score would easily be avoided, by his voluntary tender of his resignation; that Mr. Metcalfe's protest was in a private or demi-official form, and need never be brought on record, or made public in any manner whatever, and that his own want of health was of itself a sufficient reason for his altering

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his destination. Lieutenant-Colonel O'Brien seemed to acquiesce in this view of the subject, and repeated his intention of returning to Europe, stating that, on the whole, he was not sorry for the necessity, as his health required re-establishment. He added, that on his arrival in Europe, he should have a communication on the subject with Lord Hastings, with whose offer of the appointment, as he now understood it to have originated, he seemed much displeased.

Entertaining no doubt of Lieutenant-Colonel O'Brien's intention, I notified it to my colleagues, and also to Mr. Metcalfe. On the following morning, after my return to Barrackpore, a letter No. 1 was received by Mr. Lushington from Colonel O'Brien, which is annexed to this note. It was answered in the terms of No. 2, in the hope that Lieutenant-Colonel O'Brien would be dissuaded from pressing the matter. His reply, No. 3, was received yesterday evening, and the answer to that is No. 4.

Barrackpore,
11th February 1823.

(Signed) J. ADAM.

No. 1.

Letter from Lieut.-Col. O'Brien.

To C. Lushington, Esq., Private Secretary, &c. &c. &c.

My dear Sir:

It strikes my cooler judgment, that the subject on which I conversed with the Governor-General this day is one of peculiar delicacy, and ought to be treated as such; I will, therefore, in the first instance, communicate through you with Mr. Adam (with your permission) in the place of submitting my official letter direct through the Secretary to the Political Department.

When I come to reflect that I have made my friends in Europe acquainted by duplicate letters, with the distinguished notice which Lord Hastings had taken of me previous to his departure, a communication which I am satisfied from former experience his Lordship has also made to my friends direct, it is impossible for me to relinquish the situation I hold of my own free will. What would these friends suppose, should I, on the plea of illness, throw away such prospects, at a moment when they were exerting themselves still further to promote my interests?

You will perceive Mr. Metcalfe is pointed in his letter, where he says he has protested, and called for my appointment to be cancelled. If this protest has arrived, in justice I must be furnished with a copy of it: if it has not arrived, I must wait quietly till it does come up, or till Mr. Metcalfe is called on to make it officially. It can never be supposed that I can wish to serve under Mr. Metcalfe in any situation, after the receipt of such a letter as his of the 21st of last month; yet I cannot lose sight of what is due to myself and to the character of Lord Hastings. It would be entirely superfluous, under existing circumstances, for me to continue a correspondence of such a nature with Mr. Metcalfe; therefore, for the present, I shall remain silent to him.

I am in hopes the Governor-General will look favourably on the view I have taken of the subject. It is not my wish, except in self-defence, to agitate the matter more publicly; but the man who has no regard for himself, does not deserve the regard of the world.

I beg you will allow me to subscribe myself,

My dear Sir,

Yours, &c.

Chowringhee,
7th February 1823.

(Signed) L. O'BRIEN,
Lieutenant-Colonel.

P.S. May I solicit your returning my public letter to the address of Mr. Secretary Swinton, along with your reply to this letter.

No. 2.

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Letter from Mr. C. Lushington.

No. 2.

To Lieutenant-Colonel O'Brien, &c. &c. &c.

My dear Sir:

I have laid your letter before Mr. Adam, who has desired me to make the following communication in reply. When you left him yesterday morning, it was under the fullest impression, on his part, that you were prepared to relinquish the office of First Assistant at Hyderabad, in such a manner as would prevent any public discussion of the grounds of that step, and obviate the necessity for placing on record what Mr. Metcalfe terms his protest against the appointment.

The receipt of that paper, and the tenor of Mr. Metcalfe's letter to you, precluding all hope of your acting together, with benefit to the public service or satisfaction to yourselves, the propriety of your resolution not to proceed to Hyderabad was fully recognized by Mr. Adam.

It has, therefore, been with feelings of considerable disappointment, that Mr. Adam has learned the different view you now take of the course which you ought to follow; and he hopes that, on further reflexion, you will perceive the expediency of reverting to the other procedure.

Mr. Adam explained to you, in conversation, the objections which he had offered to your appointment, when first proposed by Lord Hastings, founded on the claims of the actual Assistants to the Resident, and on those claims having been recognized by Lord Hastings on a former occasion, when the appointment was refused, on that very ground, to an officer of high character and pretensions. Although, therefore, Mr. Adam assented to your nomination on its being finally proposed by his Lordship, he certainly did so with considerable reluctance, regarding it as an injurious supersession of what he thought the preferable claims of others; and he has reason to believe, that this was the feeling of the other Members of the Government at the time. He would not, however, have thought of disturbing an arrangement actually made; but the evident impossibility of your acting under Mr. Metcalfe, with the knowledge you now possess of his feelings on the subject of your appointment, certainly renders such a result as he contemplated, from what passed in his conference with you yesterday, extremely desirable in every point of view.

Acting under the impression above-mentioned, and relying on your notifying to Mr. Metcalfe, in the terms of the letter to his address shewn by you to Mr. Adam, your intention to proceed to Europe, Mr. Adam stated to the Members of Council what he conceived to be your decision, and on that ground waved all discussion of Mr. Metcalfe's protest, as rendered superfluous by the step you had resolved to take. A similar communication was made also to Mr. Metcalfe.

Having purposely refrained from entering with the Members of Council on the merits of Mr. Metcalfe's protest, it is not in Mr. Adam's power to say what may be the result of the deliberations of Government on that paper, should the discussion be forced upon them. In making the present communication to you, therefore, it must be understood to have no reference to the possible issue of that discussion.

The terms of Mr. Metcalfe's letter to yourself, and the just and correct feeling with which you appeared to Mr. Adam to view the line of conduct proper for you to pursue under such circumstances, combined with the infirm state of your health, seem to offer substantial, as well as ostensible reasons for your resignation of an office, (which, according to your own view of the matter, you cannot, consistently with what is due to yourself, retain) such as must sufficiently account for the measure to your friends. Beyond that circle no explanation can be required, unless the annulment of the appointment be made an act of the Government (requiring, as such, the assignment of specific grounds) instead of your own, as under the circumstances it can so easily and naturally be.

Mr. Metcalfe's protest is not as yet a public document, and Mr. Adam is of opinion that no advantage can follow from rendering it so, or giving the transaction

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transaction an official shape, which would be the consequence of your sending in your letter to the Political Secretary. He can, however, have no desire that your decision should be influenced by any consideration which your own judgment does not approve, although he has thought it right that you should be distinctly apprized of his view of the case.

I have the pleasure to return your letter to Mr. Swinton.

I have, &c.

Barrackpore, Saturday night, 8th February 1823. (Signed) C. LUSHINGTON.

No. 3.

Letter from Lieut.Col. O'Brien.

To C. Lushington, Esq., Private Secretary, &c. &c. &c.

My dear Sir:

I regret extremely that I should have so ill explained myself to Mr. Adam, as to leave an impression on his mind that I was prepared to relinquish the office of First Assistant at Hyderabad, without an order to that effect from the Governor-General in Council, who were pleased to appoint me. I hope, therefore, I may be excused in addressing the Governor-General in Council on the subject of Mr. Metcalfe's letter to me, and in requesting they may be pleased to favour me with a copy of the protest alluded to in it.

I have, &c.

Chowringee, 10th February 1823. (Signed) L. O'BRIEN.

No. 4.

Letter from Mr. C. Lushington.

To Lieutenant-Colonel O'Brien.

My dear Sir:

I have submitted your letter of yesterday to the Governor-General.

In reply, Mr. Adam has desired me to repeat what was before intimated to you, that he wished to leave the decision to your own judgment, and that he has no objection to your addressing the Government on the subject of Mr. Metcalfe's letter to you, as you propose.

I have, &c.

Barrackpore, 11th February 1823. (Signed) C. LUSHINGTON.

(Enclosure No. 14.)

Letter from Secretary to Government.

To Lieutenant-Colonel O'Brien, &c. &c. &c.

Sir:

1. Your letter of the 10th instant, submitting a copy of a private letter from the Resident at Hyderabad, and requesting to be furnished with a copy of the protest to which it refers, having been laid before the Governor-General in Council, I am now directed to communicate to you the following observations and decision of the Government in reply.

2. The tenor of Mr. Metcalfe's communications to Government and to yourself, combined with your avowed reluctance, in consequence, to serve under that officer, has satisfied the Governor-General in Council that no benefit could be expected to result to the public service, by your proceeding to Hyderabad in the situation to which you have recently been appointed. On the contrary, the Governor-General in Council feels that the mutual want of confidence, and unavoidable estrangement which must necessarily subsist between you and Mr. Metcalfe, while they must place you in a situation wholly unsuitable to your rank and professional character, would materially embarrass the Resident in the due performance of the important functions of his office, frequently of the most confidential nature, and would consequently prove highly detrimental to the interests of the allied Governments.

3. The

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3. The Governor-General in Council has therefore resolved to cancel your appointment to the office of First Assistant to the Resident at Hyderabad from the present date, and you will consider it to be annulled accordingly.

Letter from Secretary to Government.

4. In communicating the foregoing result of the deliberations of Government, I am directed to inform you, that the opinion has been formed solely on a view of the apprehended effect on the public interests at Hyderabad, of your proceeding thither in the capacity of First Assistant, under existing circumstances; and is not meant to convey any reflexion on your general character. The present proceeding being limited to this view of the case, it seems to the Governor-General in Council unnecessary and inexpedient to agitate the question further, or to depart from an established principle of Government, by communicating to you a letter from a confidential officer, which has no otherwise influenced the present decision than in the manner now stated.

5. It is proper to inform you, with reference to an observation in the second paragraph of this letter, that the Governor-General has laid before the Board your correspondence with his Private Secretary, and a note of his personal communication with you on the 7th instant, and of the impression which the result of that conference left on his mind, as already communicated to you, with regard to your feelings and intentions at the time.

I have, &c.

Council Chamber,
14th February 1823.

(Signed) G. SWINTON,
Secretary to Government.

(Enclosure No. 15.)

To G. Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

1. I have had the honour of receiving your despatch of the 15th ultimo. I shall proceed to execute its instructions, and after obtaining the particular information required, shall report to you accordingly.

2. There is one part, however, on which I cannot delay my reply. It is observed in the sixth paragraph, that a statement appears to have been made, on the part of Messrs. William Palmer and Co., to his Excellency the late Governor-General, purporting "that the House had thrown themselves on the "integrity of the Minister, for security against the danger which the with-"holding the stipulated reimbursement of their advances visibly threatened, "and that the Minister had felt the obligations of his contract, and had "remonstrated against being compelled to infringe it."

3. The number of the inventions and misrepresentations crowded into this small space is wonderful. 1st. There was no remonstrance. 2d. There was no compulsion. 3d. I deny that there was any infringement of contract, or any stipulated reimbursement withheld. 4th. There was no danger threatened, either visibly or invisibly, except such as must always arise to adventurers, whose credit is only political, from any supposed diminution of their political influence. Lastly, I deny that Rajah Chundoo Loll possesses any integrity for people to throw themselves on; and if any of the late or expected measures of Government be founded on a belief of the existence of such a quality in that personage, I beg leave to warn you, in due time, that such a trust will infallibly be disappointed. To these remarks I might add, that I have yet to learn that Messrs. William Palmer and Co. sustained any loss or injury whatever from the resumption of their revenue assignments; but as they have been called on to submit their own statement on that subject, I will not here anticipate it.

4. I have reported, in former despatches, not only that the resumption of the assignments was voluntary and spontaneous on the part of the Nizam's Minister, but also that he pressed me to conceal from Messrs. William Palmer and Co. the purport of the orders received from the Supreme Government, until he had completed his arrangements for that measure. If there was either compulsion on my part, or remonstrance on his, I must have reported falsely: a supposition which I feel it quite unnecessary to refute.

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5. After the deed was done, as above described, remonstrance would have been preposterous and absurd; and it would be unreasonable to imagine that any could have been made. One cannot be so positive in a negative as in an affirmative assertion. I nevertheless venture to declare, that no such remonstrance was at any time made. It seems, indeed, utterly impossible, that after a spontaneous act, a remonstrance could have been made against a compulsion which had never been exercised, was never thought of, and for which, if it had been proper, there was neither necessity nor call of any kind. The resumption of assignments preceded the Minister's letter of complaint, handed up by Sir William Rumbold and Mr. William Palmer. Why did not this representation of compulsion and remonstrance form a part of that memorable production? Because it would have been too gross even for that magazine of falsehood, or because it is an invention of later date.

6. Much has been made of this resumption of assignments, because it is the only thing that affords the shadow of a cause of complaint. Though, in fact, it was the voluntary and spontaneous act of the Minister, I have no objection to be considered entirely responsible for it; for I concurred in it heartily, and maintain that it was necessary and just: necessary to provide for the exigencies of the State, and just, because it neither violated any contract, nor inflicted any injury on Messrs. William Palmer and Co. The assignments were granted for the pay of the troops, not for the settlement of accounts. Attached to these assignments was the obligation of paying the troops. When this obligation ceased, the funds specifically assigned for that purpose were necessarily resumed. Recourse was had to other measures for settling the account of that concern with Messrs. William Palmer and Co., and they were allowed twenty-five per cent. interest on the balance due to them until it could be discharged. If this be loss, what would be profit? In this instance, Messrs. William Palmer and Co. affect to complain of an injury from their tunkhas not being realized. See what they say on another occasion, when they have another delusion to establish, in speaking of the terms of the Aurungabad contract. "Had the tunkhas been paid with any regularity, we "should not have derived any benefit from the arrangement." That is to say, their sole benefit was derived from the interest on their advances. How is it that this acknowledged benefit is made the ground of pretended injury? The answer is plain: It was necessary to complain of the Resident for refusing to disobey the instructions which he had received, and no better ground could be discovered; and even on this ground, the fabrication erected could not stand for a moment without the rotten prop of falsehood.

7. Both before and since the termination of the Aurungabad contract, the Nizam's Minister has repeatedly informed me that Messrs. William Palmer and Co. have been urgent for money. These communications have been made in a tone indicating complaint against them for importunity. They may have required a supply of cash for particular purposes, or they may have seen that their demand against the Government was increasing to an alarming degree. It might have been most convenient and agreeable to them to receive the amount of their balance in the Aurungabad account in ready money; and their disappointment in this respect is, perhaps, the real extent of the injury sustained by them: but it cannot be called an injustice, unless it be admitted that the service of the State was to be sacrificed to their momentary convenience, or that a contract existed, which deprived the Government of the right to appropriate to the pay of the troops the funds specifically assigned for that purpose.

8. The army could not have been paid if these assignments had not been resumed. As it is, considerable arrears have accumulated; and if no more has been withheld from Messrs. William Palmer and Co. than has reached the troops, those gentlemen have not much to complain of, even in that point of view, admitting all their pretentions. It would not be difficult to shew that they would have had to pay instead of to receive money, had the Aurungabad contract continued, and the payments to them been the same as those actually made to the troops, and therefore that they have in this view of the case gained by the abolition.

9. The

9. The Nizam's Minister assured me, as I reported at the time, that the troops should be regularly paid, and that no difficulty would arise. I relied on his engagement; not, I acknowledge, without some distrust. He deceived me, as from his character was to be expected, and some arrangement must now be made, having a better security for its fulfilment than his assumed integrity. I shall not be surprised if it appear eventually, that the very sums which are stated to have been withheld from Messrs. William Palmer and Co. have actually reached their coffers. It is certain that the troops have been irregularly paid, and that the proper funds have been alienated.

10. It is not impossible that Chundoo Loll may have represented to Messrs. William Palmer and Co., that he had remonstrated against the resumption of the assignments. I do not by any means think their assertion, if they have made it, sufficient ground for believing that he did so; but he may have done so, in order to deprecate their wrath. No part of his conduct respecting that firm is intelligible, without adverting to the sole object of all his acts. His policy has ever been to keep himself in place, and with this view he has sought and hired every partizan that could be purchased, descending to the lowest individuals supposed to possess a particle of influence with the British Government or any of its agents. This is the history of his connexion with Messrs. Palmer and Co. He has lavishly sacrificed to their cupidity: they have been his professed adherents and supporters. As long as that firm and the Resident went hand in hand together, the attention of the Minister was not distracted. When the Resident's duty clashed with their interests, the Minister became puzzled how to act. On the one hand, the ostensible Representative of the British Government urging him to measures having for their object the welfare of his master's dominions: on the other hand, a party, whose real influence he believed to be uppermost, working on his selfish hopes and fears. His resolution, no doubt, was to conciliate both parties if possible. He has sometimes been staggered by the apparent boldness of my proceedings, not conceiving that I would dare, merely from a sense of duty, to oppose the predominant influence of Messrs. William Palmer and Co., without well-founded hopes of success: and on these occasions he has shewn a disposition to fall into the right course: but he has more generally inclined towards the other party, of whose influence he had a higher opinion. In the affair of his letter of complaint, he threw himself, of course, entirely into their arms; and declared decidedly against the Resident. The scheme which that production was designed to promote having failed, he repented of that proceeding, and has since tried again to trim between the ostensible Resident and those whom he supposes to be more like the real representatives of the British Government: but it must be obvious, that the alliance of the parties in that conspiracy, notwithstanding its failure, necessarily forms an additional bond in their connexion.

11. The situation in which I have been placed, and the duty which I have had to perform, can never be correctly understood, unless it be seen and felt that I have had to contend with a corrupt combination, existing between Rajah Chundoo Loll and Messrs. William Palmer and Co. for their mutual interests, without regard to public principles or the welfare of the Nizam's territories; neither can the efficiency of the Residency, which has been much impaired by late events, be restored until that combination be dissolved, and the unnatural and baneful influence of those gentlemen subdued.

12. The evils now most prominent in the Nizam's affairs have sprung from the Minister's seeking support through irregular channels; and this Government can never be brought into proper order, until the Minister be taught that the Resident is the real and sole, as well as the ostensible Representative of the British Government. It may be supposed that the influence of Messrs. William Palmer and Co. will cease and die away of itself. I am not sure that such will be the result. An influence of this kind, though it required a combination of extraordinary circumstances to raise it to its present pitch, may not so easily subside after being once established. Confidence in the prevalence of a right order of things has been shaken. What has once happened may seem likely to happen again; and, of course, all possible means will be used by the interested party to sustain its influence at the full.

13. I

Enclosures in Bengal Political Letter, 7 Mar. 1823.

Letter from Resident at Hyderabad.

13. I am satisfied that, to re-establish the proper efficiency of the Resident will require extraordinary confidence and support on the part of his Government; and if there be any thing in my character or conduct which prevents the grant of the requisite confidence to me, I beg that I may not be considered any obstacle to the substitution of a fitter agent. Much as I do undoubtedly desire to be instrumental in establishing the prosperity of the Nizam's country and Government, and in rescuing the British character from the stain which the cupidity of individuals has cast on it; ready as I am, in such a cause, to encounter the odium, enmity, and resentment which are the unavoidable attendants on the faithful discharge of such obnoxious duties, I would greatly prefer that this honourable work should be well done by other hands, wielding the powers necessary to bring it to a right issue, than that I should go on struggling ineffectually, as hitherto, from the want of that perfect and avowed support which I feel to be indispensable for the successful performance of the duties imposed by the unparalleled peculiarity of my situation.

I have, &c.

Hyderabad Residency, Camp, Kejj, 6th February 1823. (Signed) C. T. METCALFE, Resident.

(Enclosure No. 16.)

To G. Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

1. I hasten to acknowledge the recipt of your despatch of the 15th ultimo, in reply to my reports of the 29th November, and 6th, 20th, and 24th December, and I beg you to submit to the Honourable the Governor-General in Council the expression of my respectful gratitude.

2. The assurance which your despatch conveys of the approbation, confidence, and support of Government, is cheering to me in the highest degree. It amply recompenses me for any distress that I may before have suffered, and revives hopes of the eventual establishment of a right order of things in the Nizam's court and country, which for some time past had been giving way to despondency.

3. I shall proceed to execute the instructions which I have had the honour of receiving, and shall report separately on the several points requiring it; but I could not refrain, especially with reference to the anxious tone of my last report, from seizing the earliest moment to apprize you of my trust and belief, that the measures now ordered will greatly strengthen my hands, and afford the best prospect of success in the execution of the duties which I have to perform.

I have, &c.

Hyderabad Residency, Camp, Aris, 9th February 1823. (Signed) C. T. METCALFE, Resident.

(Enclosure No. 17.)

To G. Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

In carrying into effect that part of the instructions of the 15th ultimo, which relates to the prohibition of intercourse between the members of the firm of William Palmer and Co. and the Nizam's Minister Rajah Chundoo Loll, I have construed the prohibition as equally applicable to intercourse with the Minister, Nawaub Moneer-ool Moolk; because it would seem inconsistent to allow intercourse with the ostensible Prime Minister, when it is prohibited with his official deputy; also, because such intercourse might really be made the source of fresh intrigues; and further, because it might excite jealousy and alarm on the part of Chundoo Loll, if he were precluded from communications permitted to his collegue with English gentlemen; the supposition of whose influence will probably be slow in fading away.

I have, &c.

Hyderabad Residency, Camp, Amba, 10th February 1823. (Signed) C. T. METCALFE, Resident.

(Enclosure

Enclosures in Bengal Political Letter, 7 Mar. 1823.

(Enclosure No. 18.)

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Letter from Secretary to Government.

Sir:

1. I am directed to acknowledge the receipt of your several despatches of the 6th, 9th, and 10th ultimo, and to communicate to you the following observations of the Honourable the Governor-General in Council.

2. The additional information submitted by you, regarding the alleged grievance of the resumption of the tunkhas, has confirmed the opinion already expressed by Government on the subject; while it more fully demonstrates the unfounded nature of that complaint. The Governor-General in Council awaits, however, the receipt of the statement which Messrs. William Palmer and Co. have been called on to submit, with respect to the extent of the injury they conceive themselves to have sustained by the transaction in question.

3. The contents of your despatch of the 9th ultimo are very gratifying to the Governor-General in Council, but do not call for any particular remark.

4. On the subject of the last of your despatches above acknowledged, I am directed to acquaint you, that your construction of the orders of Government therein adverted to is perfectly correct. The spirit of those orders was to interdict all communication, on the part of the firm of William Palmer and Co., not with the Minister Chundoo Loll only, but generally with the officers of the Nizam's Government, unless when made through the prescribed channel of the Resident. Any infringement of the orders in question will require to be promptly noticed; and you will be prepared to address a suitable remonstrance to either of his Highness's Ministers, in the event of your having reason to believe that such clandestine intercourse continues to be encouraged or connived at on their part.

I have, &c.

Fort-William, 7th March 1823.

(Signed) Geo. Swinton, Secretary to Government.

(Enclosure No. 19.)

To G. Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

1. With reference to the fourth and fifth paragraphs of your despatch of the 31st December, I have the honour to inform you, that the payment of the annual sum of Rupees 1,20,000, on account of Appa Dessye and the Putwurdhuns, is due from the Nizam's Government, from the time when we placed in its possession those districts, for the revenue of which it has to account with us.

2. The 1,20,000 Rupees per annum may, therefore, either be charged separately, making an equal deduction from the amount of our demand for revenue collected from those districts, or it may be considered as included in the amount to be paid to us on this account. It is due to us, not to Appa Dessye and the Putwurdhuns, whose claims have been otherwise adjusted at our expense: it may consequently be regarded as on the same footing with the rest of the debt to us.

3. The annual sum will henceforth be paid, in addition to the other payments which the Nizam's Government will have to make on account of its debt to us. Those payments will be large or small, according to its means; but ought to be ample, for the liquidation of our demands within the period proposed.

4. I shall be able soon, I hope, to report on the amount of our claim for the surplus of revenue collected by the Nizam from the districts held by his Highness since the war.

I have, &c.

Hyderabad Residency Camp, Dharoor, 8th February 1823.

(Signed) C. T. Metcalfe, Resident.

Enclosures in Bengal Political Letter, 7 Mar. 1823.

Letter from Resident at Hyderabad.

(Enclosure No. 20.)

To G. Swinton, Esq., Secretary to Government.

Sir:

1. The sum due to us by the Nizam's Government on account of the revenues of districts made over to his Highness during and after the last war, if calculated up to the period of our receiving the cessions given in exchange, may be estimated at Hyderabad Rupees 18,90,000; or, if calculated up to the date of the treaty recently concluded, at Hyderabad Rupees 29,50,000.

2. Some items still remaining for final adjustment, there may possibly be eventually some alteration in these estimates; but I submit them as being, at present, the nearest to the probable result that I can frame.

3. The accounts of the Nizam's Government have been taken for its receipts. In this respect, the estimates are more likely to be favourable to his Highness than otherwise.

4. There is a disputed item, respecting the revenue of some lands which was formerly collected by the Paishwah, and is therefore considered in our calculations as a cession, for which we are entitled to an equivalent: but the Nizam's Minister declares, that those lands were merely assigned in lieu of choute, and never went out of the Nizam's sovereignty, and that, therefore, they ought to be included in the choute gratuitously relinquished. I have compromised this dispute in the estimate, by taking credit for only half of that revenue, the whole of which, calculated to the period of our receiving of the exchanged districts, would be Hyderabad Rupees 1,67,000; or to the date of the treaty, Hyderabad Rupees 2,67,000.

5. The Nizam's Minister has demanded credit for the addition made to Salabut Khan's jagheer at one lac of rupees per annum from the war; but he is obviously only entitled to that credit from the time when the addition was really made. In the estimates I have struck off two years' calculation or two lacs of rupees. The exact period of the grant to Salabut Khan remains to be ascertained. If it should, contrary to my expectation, appear that the Nizam's Government is entitled to credit for the whole period, two lacs of rupees must be deducted from the sums stated in my estimates.

6. The present object of this reference is to obtain instructions as to the period to which the account is to be calculated, whether to the time of the transfer of the Nizam's cessions to us, when the terms of the treaty were virtually fulfilled, or to the date when the treaty was formally executed.

7. If the former of these periods be determined, the payment of Rupees 1,20,000 on account of Appa Dessye and the Putwurdhuns will commence from that time. Otherwise, our claim on that account will be included in the balance of revenue up to the date of the treaty, and payment will commence from the latter period.

I have, &c,

(Signed) C. T. METCALFE,
Resident.

Hyderabad Residency,
Camp, Amba,
12th February 1823.

(Enclosure No. 21.)

Letter from Secretary to Government.

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Sir:

1. Your despatches of the 8th and 12th ultimo have been submitted to the Honourable the Governor-General in Council.

2. With regard to the annual sum payable to us on account of the arrangement made for Appa Dessye and the Putwurdhuns, I am directed to state, that as the arrears now due to us on that account may be considered to be on the same footing with the rest of the Nizam's debt, arising out of the territorial exchanges, the payment of the amount may be settled, as proposed by you, in common with that of our other demands.

3. In

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Letter from Secretary to Government.

3. In like manner, the future annual payment of the sum above-mentioned will continue to be included in the amount of payments to be made to us, adverted to in the third paragraph of your letter here acknowledged; but as it is a payment in perpetuity, while the others will cease on the completion of the arrangement for the liquidation of the amount now about to be advanced for the relief of his Highness's Government, it should form a distinct and separate head of account. When those advances, and the debt already due to us on account of the surplus of revenue collected by the Nizam, above adverted to, shall have been discharged by his Highness, and the payment of this annual sum of Rupees 1,20,000 shall then be the only demand against him, the simplest arrangement will probably be, for the British Government to deduct an equivalent amount from the peshcush, which will have been again set free. But in the event of the Minister's agreeing to the proposition for redeeming the peshcush, as suggested in my letter of the 31st January, it will become necessary to take into the calculation this perpetual payment to us of Rupees 1,20,000 per annum by the Nizam, thereby reducing, to that extent, the value of the peshcush or perpetual payment to be redeemed by us.

I have, &c.

Fort-William, 7th March 1823. (Signed) G. SWINTON, Secretary to the Government.

(Enclosure No. 22.)

Letter from Resident at Hyderabad, with Enclosures.

To G. Swinton, Esq., Secretary to Government.

Sir:

I have the honour to enclose copies of correspondence with Messrs. William Palmer and Co. with reference to which I beg leave to inform you, that I had previously taken measures to prevent any extremity, such as that which Messrs. William Palmer and Co. profess to apprehend.

I have, &c.

Hyderabad Residency, Camp, Sailoo, 20th February 1823. (Signed) C. T. METCALFE, Resident.

To Messrs. William Palmer and Co., Hyderabad.

Gentlemen:

1. I am directed by the Honourable the Governor-General in Council to inform you, that all intercourse between the members of your firm and the Nizam's Minister, personal or written, direct or indirect, except through the channel of the British Resident, is for the future prohibited, in the same manner as in the case with regard to other British subjects at Hyderabad.

2. I shall at all times be happy to receive any communications that it may be proper for you to make to his Highness's Government, and I trust that you will find that due attention is paid to your just claims and interests.

3. During my absence from Hyderabad, whenever you may suppose that your interests will suffer from the delay of a reference to me, I beg that you will address yourselves to my Assistant, Lieutenant Barnett. With exception to the case supposed, I shall prefer receiving your communication directly.

I have, &c.

Hyderabad Residency, Camp, Amba, 10th February 1823. (Signed) C. T. METCALFE, Resident.

To Sir Charles T. Metcalfe, Bart., Resident, &c. &c. &c.

Sir:

We have the honour to acknowledge the receipt of your letter of the 10th instant, prohibiting us from all manner of intercourse with the Nizam's Ministers.

We cannot view this order, at the present moment, without the most serious alarm. It has been only by making the greatest sacrifices, that we have been able for some time past, to struggle through the difficulties by which we have been

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Enclosures in Resident's Letter.

been assailed, in consequence of the discussions regarding us; and with our now diminished resources, in this new position, we can see no escape from immediate ruin, if we are not favoured with your support and assistance.

We have had too fatal experience of the disposition of the monied men here to take alarm on the slightest occasion, not to apprehend the most ruinous consequences from this order at the present moment; for after what we have recently experienced, we fear they will consider it a complete crushing of our establishment, and in all probability will come upon us immediately for the whole of their funds in our hands.

We have at present upwards of eighteen lacs of rupees belonging to Soucars of this place, which they can call for at pleasure; and unless we have funds at our disposal to meet this demand, or can obviate it by shewing that we have your support, we do not expect that our house can subsist.

We hope that every liberal consideration will be made to us in consequence of the new position in which this order must place us in the opinions of our constituents; a position totally different from the situation under which our engagements with the Nizam's Government were contracted and sanctioned, and have hitherto been carried on.

We beg to assure you, that we shall submit with every deference to the orders of the Honourable the Governor-General in Council, however much we may feel alarmed at their being carried into effect at the present very momentous juncture. Our only fear is, for the immediate effect which the execution of these orders will produce; for we have that just confidence in the liberality and justice of the Honourable the Governor-General in Council, that we feel assured we shall be ultimately benefited by an interference, which must ensure to us the repayment of all our claims on the Nizam's Government.

If the demands are made upon us which we dread, we have no resource but in your protection and support; and we earnestly hope that you will sanction such assistance being afforded to us from your treasury, as will save us from the utter ruin that must otherwise ensue.

We are most thankful for the kind assurance of your readiness to forward our representations and just claims; and we beg to assure you, that it shall be our study to act up to the letter, as well as to the spirit of the order now communicated, and to your wishes.

We have, &c.

Hyderabad, 16th February 1823.

(Signed) WILLIAM PALMER AND Co.

To Messrs. William Palmer and Co., Hyderabad.

Gentlemen:

I am favoured with your letter of the 16th instant.

I trust that no injurious consequences, such as you apprehend, will result from the orders of the Honourable the Governor-General in Council; but, in the event of extreme exigency, I am authorized to aid you to a limited extent.

If the monied men take up any needless alarm, you can, during my absence, refer them to my Assistant, Lieutenant Barnett, who will no doubt be able to assure them, that no injury to your establishment is intended or desired by the British Government or its local Representative.

I have, &c.

Hyderabad Residency, Camp, Sailoo, 20th February 1823.

(Signed) C. T. METCALFE.

(Enclosure

Enclosures in Bengal Political Letter. 7 Mar. 1823.

Letter from Resident at Hyderabad.

(Enclosure No. 23.)

To G. Swinton, Esq., Secretary to Government.

Sir:

1. With reference to the 6th paragraph of your first despatch of the 15th ultimo, I have now the honour to report the amount of revenue assignments resumed from Messrs. William Palmer and Co. on the termination of the Aurungabad contract, and the amount of those granted in their stead.

2. According to a statement received from the Nizam's Minister, the following is a list of the whole of the assignments resumed.

On Rao Chotum Laul. ..... Rupees	3,47,076	6	6
Inkut Rao	1,70,190	0	0
Hurbajee Mahadeo.	50,000	0	0
Total.....	5,67,266	6	6

3. Of these resumed assignments, the Government, up to the present time, has only realized the following portions:

From Inkut Rao. .... Rupees	60,000
From Rao Chotum Laul	1,00,000
Total..... Rupees	1,60,000

The remainder, *i. e.* Rupees 4,07,266 6 6, with the exception of Rupees 50,000, is considered irrecoverable.

4. In lieu of those assignments others were granted to Messrs. William Palmer and Co. on the revenues of the present Fuslee year for eight lacs of rupees, the estimated amount of balance due on account of the Aurungabad contract.

5. In considering the injury occasioned to Messrs. William Palmer and Co. by the resumption of the former assignments, it may, in the first place, be remarked, that it is quite irreconcileable with the conduct of Messrs William Palmer and Co., in other respects, to imagine that they can conceive the outlay of their money with the Nizam's Government at twenty-five per cent. interest an injury, for that has been their manifest aim in all their other transactions; and they have already professed, with regard to the Aurungabad concern, that if the assignments had been regularly paid, they would not have had any profit. In that point of view, therefore, injury from the resumption of the former assignments seems out of the question.

6. Admitting, however, what may have been the case, that they wanted cash to carry on their affairs, and were so totally devoid of commercial credit as not to be able to raise it from either native or European merchants, on any terms that would be covered by the interest of twenty-five per cent., which they were receiving, it is next to be shewn what was the actual sum of which the payment was postponed by the resumption of those assignments. It will scarcely be credited, after the outcry raised on this subject, that it did not exceed one lac and sixty thousand rupees, as above exhibited. The utmost injury, therefore, actually sustained by them, in the worst view of the case, was the postponement of the payment of that small sum for a short period, interest being received during the interval at the rate of twenty-five per cent.

7. But if the inquiry be pursued further, it will be found that there is every probability that they have received more than the sum mentioned, from the realization of a part of the assignments granted in lieu of those resumed; and if this be so, which there is every reason to suppose, it turns out that they have received more than has been withheld, and consequently, that even on this ground, there is not the slightest room for complaint.

8. I trust that this short statement will set to rest the clamour raised by Messrs. William Palmer and Co., regarding loss or injury from the necessary resumption of assignments at the termination of the Aurungabad contract.

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9. Until I received the Minister's statement, I had no notion that so small a sum had been realized from the assignments resumed. If I hereafter discover that he has practised any deceit in this matter, I shall of course report further on it.

I have, &c.

Hyderabad Residency,
Camp, Omer Khair,
22d February 1823.

(Signed) C. T. METCALFE,
Resident.

Letter from Lieut.-Col. O'Brien.

LETTER *from* LIEUTENANT-COLONEL O'BRIEN, C.B., *to* MR. SECRETARY DART.*

To Joseph Dart, Esq., Secretary to the Honourable the Court of Directors for the Affairs of India.

Sir:

I do myself the honour of forwarding to you a Memorial, with sundry papers connected with it, for the purpose of being laid before the Honourable the Court of Directors for the Affairs of India.

Having previously submitted these documents to the inspection of the Marquess of Hastings, I do myself the honour of transmitting his opinions and remarks on the same, couched in a letter to my address; and I now declare, in obedience to what his Lordship requires of me, upon the honour of a soldier and a gentleman, that Lord Hastings never at any period spoke to me regarding any squabbles or differences of opinion existing at Hyderabad, either alluding to political causes or to private differences. This declaration I make most unequivocally, and I hope most satisfactorily to the Honourable Court.

I have, &c.

No. 12, Norfolk Street,
Strand.

(Signed) L. O'BRIEN,
Lieutenant-Colonel, C.B.,
late 1st Assistant at Hyderabad.

Lieutenant Colonel O'Brien's Memorial.

MEMORIAL *of* LIEUTENANT-COLONEL O'BRIEN.

To the Chairman, Deputy Chairman, and Members of the Honourable Court of Directors for the Management of the Affairs of India.

Gentlemen:

1. Your Memorialist is induced to bring himself before the notice of your Honourable Board, from a conviction that justice ever regulates your decisions, when appeal becomes necessary from hardships suffered by any of your servants in your widely-extended eastern empire. Your Memorialist solicits but a patient investigation into his case, and he hopes, in the sequel, that he may be found not to have intruded unworthily.

2. Your Memorialist entered your service as a Cadet in the year 1794, in a military capacity, and joined your corps of light cavalry on the Bengal establishment the year following, when in the field. The corps of light cavalry was then in a state of infancy; but as the period of a subaltern's career can have only a few leading features in it, your Memorialist will pass over the earlier part of his services, with the simple remark, that in every instance through this part of his military life, he received the constant commendations of his immediate commanding officers, and was fortunate enough to be employed by the successive Commanders-in-Chief in different staff situations incident to a young officer's career, filling such with credit to himself and satisfaction frequently expressed by his employers.

3. In the year 1811, your Memorialist was selected by the then Commander-in-Chief, General Sir George Nugent, for the high and distinguished situation

* Received 16th September 1823.

situation of commanding a regiment of light cavalry to be formed for foreign service on the island of Java; the first regular regiment of light cavalry, composed of natives, which had ever left Bengal, if we except the few men who went round to Madras in 1794, during Lord Cornwallis's administration. The Java light cavalry remained on the island, with every degree of credit for smartness and orderly good conduct, till the restoration of that island to the Dutch in 1815; from which period till the end of Lord Hastings' administration your Memorialist had been constantly and confidentially employed on active service, to the satisfaction of those under whom he was placed. Lieutenant Colonel O'Brien's Memorial.

4. Your Memorialist was entrusted, in the commencement of 1818, by that enlightened political Resident, Mr. Jenkins, so ably regulating the affairs of Berar, with the civil administration of a large part of the then newly acquired country, conquered from, and ceded to us by the Bhoonslah family. Mr. Jenkins's opinion of your Memorialist's character and humble services is expressed in the annexed extract of a letter from him to your Memorialist,* on his leaving that part of the country. Such commendations, from such a man, carries its own reward: a reward far above your Memorialist's humble merits, in ought save a studied endeavour to prove to the population of the newly acquired districts placed under his control, the beneficial advantages derivable from their change of masters.

5. When it was thought advisable, in 1819, to invade the Mahadeo hills, against the confederate Chiefs assembled there for the support of the Ex-Rajah of Berar, Appa Saheb Bhoonslah, your Memorialist had the honour of being selected to command the left column of invasion. Success attended his exertions, and his conduct was highly approved of by his Excellency the Commander-in-Chief, by the Resident of Nagpore, and by brigadier J. W. Adams, C. B., commanding the invasion.

6. Vanity has no share in causing your Memorialist to bring his services before the notice of your Honourable Board, further than to shew that eight-and-twenty years of the best part of his life have been spent, to the best of his abilities, in your service, in a climate so inimical to the European constitution: and even this he does, chiefly for the purpose of contrasting such services with his ultimate treatment, which he feels to be so injurious and oppressive, as to force him thus to throw himself on the protection of your Honourable Court.

7. Lord Hastings had for some time sought for a satisfactory mode of providing, in some way, for your Memorialist; and even if nothing had been done, this known intention would have been flattering to his feelings: but how much more so may be naturally conceived, when a communication was made to him from his Lordship's private Secretary, that Lord Hastings had fixed on the diplomatic line as the one in which he intended to employ your Memorialist, tendering him the situation of First Assistant to the Court of Hyderabad, just vacated by the removal of Mr. Sotheby to a higher appointment.

8. Your Memorialist having now humbly stated the motives which induce him to rely on the justice of your Honourable Court at home, to hear and admit his appeal from the acts of your servants in India, will, with permission, proceed briefly to detail the outline of his case in the subjoined Statement, accompanied with an Appendix, containing extracts and copies of the letters referred to, for the purpose of proving the estimation in which his humble services have been held at different periods, by those of his immediate superiors, whose province it was to pass their opinions on his conduct.

9. Your Memorialist again entreats only a patient attention to his case, and reposes with confidence on the justice of your Honourable Court to grant him that redress which its impartial judgment shall dictate.

With

* "Every circumstance of our intercourse, whether of a public or a private nature, has given me "unmixed satisfaction; and whilst I am most happy in the reflection, on private grounds, that I "have had it in my power to promote in any degree your views and wishes, this feeling is doubled, "by the consideration that I have, at the same time, been promoting the public good, in bringing "forward your zeal and ability on a scene where they were calculated to produce so much benefit.

"Nagpore,
"May 1819."

(Signed) "R. JENKINS,
"Resident at Nagpore."

Lieutenant Colonel O'Brien's Memorial.

With every sentiment of respect, your Memorialist begs leave to subscribe himself as one among the best wishers of your honourable Servants in the Eastern World.

(Signed) L. O'Brien,
Lieutenant Colonel, C. B.

STATEMENT.

1. On the 30th December 1822, being then in command of the Eighth Regiment Light Cavalry, and at Calcutta on leave of absence, I received, without solicitation or interest on my own part, but purely emanating from the Marquess of Hastings, an appointment to the situation of First Assistant to the Resident of Hyderabad. This being confirmed to me by an official communication, I addressed a letter to the Resident at the station, announcing my determination to join my post without delay; but ill-health having retarded my departure for a few weeks only, I remained in Calcutta long enough to receive a reply to this letter, in which the Resident, Mr. Metcalfe, informed me, "that he had protested against my appointment, and had requested it to be cancelled:" and without any further explanation the appointment was cancelled; and I am not, to this moment, made acquainted with the cause which actuated the Resident in his objection to my appointment, though emanating from the Governor-General in Council.

2. Previous to entering on the following correspondence, by which this brief statement is confirmed, it is necessary to mention, that I had a personal interview with the acting Governor-General, Mr. Adam, on the morning after I had received Mr. Metcalfe's letter. What passed at that interview was considered by me solely as a private conversation; but it was unfortunately misinterpreted, and the substance of it communicated to the Council without my knowledge or concurrence.

3. When I waited on Mr. Adam on the morning of the 7th February, I was suffering under extreme debility, both in body and mind, which had confined me to my bed and house for nearly a month. Debilitated as I was, reflection pointed out to me that I could not, in honour, abandon what was due to Lord Hastings who nominated me, nor what was due to myself or to my future prospects, in relinquishing my situation at Hyderabad without remonstrance; I therefore wrote that very evening to Mr. Adam, through his Private Secretary, acquainting him of my final determination.

4. I was then perfectly ignorant, that the conversation I held in the morning with Mr. Adam had been, or could have been, interpreted into one of a public nature; and yet it will appear, that that visit has been the only plausible excuse for heaping such indignities on an innocent man, as it cannot be supposed, for a moment, that the public service required me to be held up as a culprit to British India, because an intemperate letter was written by the person to whom I was appointed an Assistant, and indirectly censuring the acts of the Governor-General, who had thought me deserving of notice, after a thorough knowledge of my character and services.

5. The correspondence commences with the first notification of Lord Hastings' intention of sending me to Hyderabad, and is followed up in regular succession, until the appointment was cancelled by the acting Governor-General.

6. To account for the long period which has elapsed, it is necessary to state that the act of Government, cancelling my appointment, (as will be seen in the correspondence,) was communicated to me by letter, and was, in fact, the only reply I received to an application made through the Secretary, for permission to proceed, for twenty or twenty-five days, to the Sand-heads, on a cruize for the benefit of my health.

7. On the receipt of the Secretary's letter, my plans were consequently changed. I decided on going to Europe. My anxiety became great to see how my appointment was to be disposed of in the public Government Gazette, and what would be declared as the reason for the vacancy, and the consequent nomination of my successor. To have protested before these points were ascertained and made public appeared to me to be premature.

8. The

8. The communication made to me direct from the Secretary bears date 14th February. On the 6th March I proceeded down the River, as a passenger in the ship Sir Edward Paget, for Europe; but up to that day no public notice reached me, regarding the vacancy of First Assistant at Hyderabad, or the nomination of any other person vice Colonel O'Brien. On the 7th we proceeded to sea with a fair wind, remaining in perfect ignorance as to the final measures adopted by Government, although my name must have been brought forward in the Gazette in some shape or other, to account for filling up the vacancy. The earliest opportunity which presented itself after this, to enable me to protest against a measure so evidently tending to my ruin, was from the Cape of Good Hope, from whence I transmitted a protest, in duplicate, to the Supreme Government, through the Secretary in the Colonial Department. Lieutenant-Colonel O'Brien's Memorial.

9. Thus much I have thought it advisable to state, previous to the correspondence being entered on. I never sought for the appointment to Hyderabad; but having been selected by Lord Hastings, who was well acquainted with my character and conduct, and who had employed me frequently during his long administration, it will, I have no doubt, appear highly unjust, that I should have fallen a victim to intrigues of which I was ignorant, and this for the advancement of men so much my juniors in years, rank, and I may add, approved of services, during a period of eight-and-twenty years.

10. Having submitted this statement to the perusal of the Marquess of Hastings, I do myself the honour of annexing his sentiments on the same, contained in a letter to my address bearing date the 21st July 1823. The declaration required by his Lordship is contained in my letter to the Secretary to your Honourable Court, transmitting this Memorial.

(Signed) L. O'Brien,
Lieutenant-Colonel, C. B.

To Lieutenant-Colonel O'Brien.

Dear Sir:

The Memorial which you proposed submitting to the Court of Directors has been attentively perused by me. As it has brought to my knowledge points on which I should have felt it incumbent on me to address the Honourable Court, did you not do so, I am so far from discouraging your contemplated application, that I strongly advise it, since it will bring the matter before the Court in a more regular shape than would belong to a desultory representation from me. The case embraces two questions, each requiring observation: and you will be pleased to let your Memorial be accompanied by the Statement which I am about to make, for the purpose of claiming reflection on both the private and public considerations arising out of the procedures to which it relates. Enclosure.

You were not in any manner under my patronage, further than as a distinguished course of meritorious service had recommended you to my notice. I had, indeed, had very few opportunities of intercourse with you. The unpremeditated appointment to the management of the conquered territories on the Nerbudda, for which your character, no less than the circumstance of your being on the spot, suggested you to the Resident, gave you the means of establishing a title to future employment in that line. Your zealous and judicious discharge of the above trust was repeatedly adverted to in Council, and the just pretension founded upon it was distinctly recognized; but no opening for fulfilling the wish entertained by Government in that respect occurred, till the promotion of Mr. Sotheby produced it. On that occasion I followed the course which I had uniformly adopted throughout my administration, of discussing without formality, before seats were taken, any appointment I meant to propose to the Council, in the diplomatic, judicial, or revenue branches. My mention of you in that manner was, I must assert, not met with any thing in the least implying repugnance. Mr. Adam merely asked, whether that would not be a supersession of Lieutenant Barnett. In reply, I called his recollection to my having invariably repelled, in every instance and in every department, the claim to rising by succession, holding, as I did, the principle to be most injurious to the Company's interest, as it would, if admitted, confound all distinction between a slothful performance of functions barely avoiding penalty, and that exertion,

Lieutenant Colonel O'Brien's Memorial.

Enclosures.

by which alone those concerns can be maintained in a flourishing state. I then remarked, that exclusive of the immeasurable superiority of your pretensions, beyond those of a person who had never acted, even a subordinate part, in the line, before he went to Hyderabad with Mr. Metcalfe, I had reason to condemn the tone held by Lieutenant Barnett to the Nizam's Minister, it having been in absolute contradiction to inculcations and instructions from me, to which I attached the utmost importance. To the conduct which I had dictated, namely, the observance of deferential and polite demeanour towards the native authorities, I attributed, in a great degree, the ready acquiescence of the Indian population in the prodigious changes which we had effected; therefore, I regarded a breach of my injunctions on that head as no light transgression. When the appointment passed the Council, I solemnly profess I had not reason to suspect, that any objection whatever was entertained. Had, however, any such tacit sentiment existed, it could not affect that which was ratified and promulgated as the act of Government. I must own, that it appears to me a very mischievous precedent, that an appointment, regularly announced by the Government, should be subsequently set aside on the representation of the Resident. I am yet to learn, that a Resident is at liberty to exercise his judgment on the fitness of an appointment made by the Supreme Authority, under which he himself is acting. But, in truth, this has been only a daring attempt to confirm an extravagant assumption, that the Resident is entitled to act independently of the power which he is delegated to represent. The trial has been made, in the confidence that private partiality to him would outweigh the political question; and unfortunately, as I think, Mr. Metcalfe has been successful. To disguise the real quality of this procedure, Mr. Metcalfe has resorted to an artifice, which I lament to see adopted by a person of his character. This is what I have alluded to as a private consideration worthy of the Court's advertence. Mr. Metcalfe has described my nomination of you as emanating from a spirit of resentment, on my part, against him. Never have I had any cause of personal pique towards Mr. Metcalfe, so that resentment would be unaccountable. Much dissatisfaction had been felt by me, on account of his contravention of official instructions; but this had nothing in common with individual irritation. He has been partly sensible of that point, and has, with a subtlety which I have pain in remarking, insinuated, that you were to take share in those miserably discreditable squabbles which have existed at Hyderabad. In answer to that inference, I must beg leave to request that you will unequivocally declare to the Directors, on your honour as a soldier, whether I ever spoke to you on the subject of those disputes, or even made a remote allusion to them: nay, whether I did not avoid the topic, in a manner which it is likely you might think studious. Stripped of that extraneous colour so incorrectly attached to it, the question will stand fairly before the Directors, and I am sure you may rely perfectly on their equity.

I have, &c.

Camden Hill,
21 July 1823.

(Signed) HASTINGS.

CORRESPONDENCE.

No. 1.—Note from J. Macnabb, Esq., Private Secretary to Lord Hastings.

My dear O'Brien:

Would you like to be First Assistant to Metcalfe?

Your's,

7 o'clock, P.M.
31st December 1822.

(Signed) J. MACNABB.

No. 2.—Reply to the Private Secretary.

My dear Macnabb:

I should consider it as a high situation, as from it I might look to the succession of Pitman's command, or otherwise, as my future fates direct.

Thine, faithfully,

½ p. 8 o'Clock, P.M.
31st December 1822.

(Signed) L. O'BRIEN.

Lor

Lord Hastings embarked for Europe on the morning of the 1st January. About the 5th or 6th of January I went down to the Gardens and breakfasted with Mr. Adam, who was to be our Acting Governor-General, after which we talked a good deal about my going down to Hyderabad. I took this occasion of mentioning to him, that my ultimate object in going there was the expectation of succeeding to Lieutenant-Colonel Pitman's command when it became vacant. Mr. Adam seemed to be aware of this, as he told me that Lord Hastings had talked to him on that subject. During this morning's conversation, no word or hint was dropped, by which I could suppose that my nomination to Hyderabad was in the least objectionable to any party, or that it militated in the least against the interests of others. On this head I was entirely ignorant, nor from any quarter did I receive even a hint to that effect.

Lieutenant Colonel O'Brien's Memorial.

Enclosures.

No. 3.—First Letter to Mr. Metcalfe, Resident at Hyderabad.

My dear Sir:

The night before Lord Hastings embarked for Europe it was intimated to me, at a very late hour, that it was his Lordship's intention to send me as First Assistant under you, should such be acceptable to me: my reply was, that I should be proud of such a situation. Previous to Mr. Macnabb's note, I had no idea that such an arrangement was in contemplation, as my whole thoughts were bent on the succession to Colonel Pitman, in the event of his sending in his resignation, a situation I had heard Lord Hastings had intended to offer to me when vacant. Just before Brownrigg's departure for Europe, I requested of him to write to you on this subject. He was then very busy preparing for his departure. I myself had but just reached Calcutta from Nagpore. Brownrigg advised me strongly to write to you direct: his words were, "You may rest "assured you will find every friendly disposition on the part of Metcalfe "towards you, as he fully knows your character, and you may freely make "use of my name as one most interested in your future welfare."

I now ardently hope that his Lordship's nomination of me may be acceptable to you; and, in the end, I hope by assiduity and the utmost endeavour to meet your wishes, that I may claim your friendship. My intention is to go down by sea as far as Masulipatam, from whence I can proceed by dawk to Hyderabad. As, in all probability, a letter from you may reach me here before I start, I beg you will freely command my services in any way you may require them, and I shall feel most thankful for any instructions you may send for my guidance.

I remain, &c.

(Signed) L. O'Brien.

Calcutta,
6th January 1823.

No. 4.—Official Nomination as First Assistant at Hyderabad.

Political department. To Colonel O'Brien.

Sir:

I am directed to acquaint you, that his Excellency the Governor-General in Council has this day been pleased to nominate you First Assistant to the Resident at Hyderabad.

I have, &c.

(Signed) George Swinton,
Secretary to Government.

Calcutta,
6th January 1823.

About the 10th or 12th of the month I made a public application, through the Secretary, to be allowed to draw the usual travelling charges in Calcutta, previous to my departure for Hyderabad. To this application I never received any reply; from which I infer, that it was supposed some obstacle might arise, preventing such departure, but which was sedulously kept out of my view. On the 19th of January I was seized with a very dangerous bilious fever, and attended by Doctors Nicolson and Sawers. On the 6th February, when I was scarcely able to move from one room to another, the following letter from Mr. Metcalfe

Lieutenant Colonel O'Brien's Memorial.

Metcalfe reached me, in reply to mine of the 6th of January, and which caused my visit to the Government-House.

Enclosures.

No. 5.—Mr. Metcalfe's reply* to my letter No. 3.

Nothing was now left me, but to see what the nature of Mr. Metcalfe's protest was; and when I conversed with Mr. Adam, I twice urged the positive necessity of my being put in possession of that document. Mr. Adam assured me it had not come up in an official shape; and as it was but demi-official, he had not communicated on the subject with his colleagues. It will be necessary, hereafter, to contrast this declaration and unwillingness to make Mr. Metcalfe's protest a public document, and the instantaneous communication of my private sentiments to the Members of Council. Not considering this satisfactory, as soon as I reached my own house I deemed it advisable to address a letter to the Secretary in the Political Department, submitting it, in the first instance, through the Private Secretary, for Mr. Adam's perusal.

**No. 6.—Demand, through the Secretary, for a copy of the protest.†

No. 7.—Forwarding the foregoing letter (No. 6) for the perusal of Mr. Adam.‡

No. 8.—Reply from the Private Secretary to my letter, No. 7.§

No. 9.—Lieutenant-Colonel O'Brien's answer to the foregoing, sent immediately after the receipt of it.‖

No. 10.—Mr. Adam's consent to my sending in my public demand for a copy of the protest, vide No. 6.¶

No. 11.—Letter to the Political Secretary, for permission to proceed to sea, for a few days, for the benefit of my health.

To George Swinton, Esq., Secretary to Government, Political Department.

Sir:

The state of my health rendering a change of air advisable, may I solicit permission from the Governor-General in Council to be allowed to proceed to the Sand-heads, for a period of twenty or twenty-five days. Should there be any orders for me from Government after my departure, may I beg that you will be so kind as to forward them to me to the Kedjeree Post-office. When I am able to proceed, I shall do myself the honour of reporting the name of the vessel and the date of my leaving town.

I have, &c.

Chowringee,
9th February 1823.

(Signed) L. O'Brien,
Lieutenant-Colonel, First Assistant at Hyderabad.

No reply was sent to this letter; but on the 18th, letter No. 12 was received, but bearing date 14th February.

No. 12.—Letter from the Secretary of the Political Department, cancelling my appointment.††

No. 13.—To the Resident of Hyderabad in reply to No. 5.

My dear Sir:

With much regret and surprise I read your letter of the 21st January, in answer to which I think it right to premise that the situation of First Assistant to you was entirely unsolicited, or even thought of on my part. The first intimation of Lord Hastings' intention was a note from Mr. Macnabb, a copy of which I enclose.

On

* Vide page 420. † Vide page 420. ‡ Vide page 422.
§ Vide page 423. ‖ Vide page 424. ¶ Vide page 424. †† Vide page 424.
** This letter in the copy received from Lieutenant-Colonel O'Brien, bears date the 7th February; the copy received from Bengal (vide page 420) is dated the 10th February.

Lieutenant Colonel O'Brien's Memorial.

Enclosures.

On what public grounds you have protested against the appointment I am at a loss to conceive, I therefore think it right to acquaint you, that in justice to myself and respect to the Most Noble the late Governor-General, I have thought it necessary to address the present one in Council, for a copy of such protest. The same principle will prevent my relinquishing the situation, unless the appointment should be cancelled by Government.

Although well aware how extremely uncomfortable and delicate my situation must be, as First Assistant to one who has so pointedly expressed his disapprobation of the appointment, at the same time permit me to say, that I do not see, as your Assistant, why I should be obligated to join either party in politics, however high they may run, as I conceive my duty to be that of obeying your orders; and it will, of course, rest with you, as Resident, how or whether you will employ me. I shall know my place, and act as you direct.

Having now, with the same candour you addressed me, informed you of the steps I have taken and mean to take, in opposing your wishes, permit me to assure you, that I am not actuated by interest or private feelings towards you, but by duty towards myself, and the illustrious Nobleman who selected me for the situation.

I remain, &c.

Chowringee,
16th February 1823.

(Signed) L. O'Brien,
Lieutenant-Colonel.

No. 14.—Application regarding my civil Allowances.

To G. Swinton, Esq., Secretary to Government, Political Department.

Sir:

May I solicit the orders of the Governor-General in Council, as to the amount of monthly salary I shall be entitled to draw, between the 2d of January, the date of my appointment as First Assistant to the Resident at Hyderabad, and the 14th of February, the date of such appointment having been cancelled by the Governor-General in Council. May I also solicit information, through what department such sum, if any is granted, will be passed.

From the peculiarity of my situation, I am entitled to but the bare pay of my rank, Rupees 270 a month, from the military branch of the service, for the period above specified.

An early communication will be most acceptable, as I am endeavouring to make arrangements for a trip to Europe by the earliest possible conveyance.

I have, &c.

Chowringee,
21st February 1823.

(Signed) L. O'Brien, Lieutenant Colonel,
Late First Assistant at Hyderabad.

No. 15.—Political Department.

To Lieutenant-Colonel O'Brien.

Sir:

I am directed to acknowledge the receipt of your letter of this date, and to acquaint you, in reply, that the Sub-Treasurer will be authorized to pay to you, on application, the allowance of First Assistant to the Resident at Hyderabad, from the 2d ultimo, the date of your appointment to that situation, until the 14th instant, when it was cancelled by Government.

I have, &c.

Council Chamber,
21st February 1823.

(Signed) G. Swinton,
Secretary to Government.

The sum I received upon this letter was eleven hundred sicca rupees, or at the rate of seven hundred and fifty rupees per month; losing, at the same time, all my military allowances as Lieutenant-Colonel commanding a regiment of light cavalry.

Lieutenant Colonel O'Brien's Memorial.

Enclosures.

Mr. Sotheby, while filling the situation which I had been appointed to, drew while at Hyderabad the sum of two thousand rupees a month, and a house found him as First Assistant, and was allowed upwards of one thousand one hundred rupees travelling charges. This loss, however, is but very small, compared to the expense and consequent detriment which I have sustained by the loss of my situation: a situation which would have been far better for me had it never been conferred, however proud and thankful I shall ever feel to the enlightened Nobleman who deemed my services worthy of such notice.

This ends all correspondence which took place in India. The following is the Protest which I had drawn up against the act of annulment of my situation, but which I did not transmit, for the purpose of being laid before the Governor-General in Council, till my arrival at the Cape of Good Hope. The causes of this delay are stated in the Protest. It was left in duplicate for transmission by the first conveyance.

To George Swinton, Esq., Secretary to Government, Political Department.

Sir:

After the correspondence which has taken place between us on the subject of my late removal from the situation of First Assistant at Hyderabad was closed, I waited with some anxiety and impatience, to see in what manner my removal, and the consequent appointment of my successor, would be announced to the service in the General Orders of Government, before I sent in the Protest, on which I had firmly resolved, to the Governor-General in Council, on this unexpected and extraordinary act of supersession without adequate cause. In this belief, that such announcement would take place immediately after the act itself, I took my passage for Europe in the ship Sir Edward Paget, for the purpose of proceeding home, to lay my case before the Honourable the Court of Directors; but though the final communication of Government removing me from my appointment was received by me on the 18th of February, yet up to the 6th of March, the last day of my receiving letters from Calcutta, no announcement of the event had taken place in the General Orders of Government published in the regular Gazette. The ship being then at Kedjeree, I was obliged to proceed, still in ignorance of the manner in which my removal was to be publicly accounted for; nor have I yet learnt how this was stated to the service to which I have the honour to belong.

As an old soldier, however, deeply interested in the preservation of a character maintained through twenty-eight years of faithful servitude in the Honourable Company's army, and as the person selected by the Most Noble the Marquess of Hastings for an honourable and confidential situation at a native Court, I owe it both to my own reputation, as well as to that Nobleman's good name, to seize the earliest opportunity of entering my most solemn protest against the act of the Governor-General in Council, by which Lord Hastings' authority is contemned and my own prospect suddenly destroyed.

In entering this protest, I am actuated by no want of respect for the Governor-General individually, or the Members of Council collectively, but it is on public grounds alone, that I act; and, with this feeling, I proceed to record the grounds of my objection to the removal and supersession adverted to.

1st. I protest against the act, as one full of the most injurious consequences to my reputation and character, as neither the Honourable Company whom I serve, nor any individual Member of their military or civil service, can possibly avoid inferring, from this sudden removal, the existence of some crime, incapacity, or other cause, of the most degrading nature; though I am entirely ignorant of any such, and have asked in vain for the grounds of objection, that I might answer or remove them accordingly.

2d. I protest also against the whole tenor of the second paragraph of your letter of the 14th February, as being entirely unwarrantable; and particularly the expression, that in my public capacity, "want of confidence and unavoidable estrangement can be attributable to me."

3d. I protest also against the grounds assigned in your letter as a reason for my removal, namely, the "apprehended effect of my presence and co-operation "on the public interest of Hyderabad."

4th. I

4th. I protest also against the Governor-General's laying before the Council a note of his private and personal conference with me, without my being made acquainted with the terms in which that note was couched, as it has evidently tended to my detriment, though probably founded on a thorough misconception. Lieutenant Colonel O'Brien's Memorial. Enclosures.

5th. I protest also against the assertion, that I made any public notification, or even implied private communication, which directly or indirectly rendered it either certain or necessary that I should desert the post assigned to me by the Most Noble the late Governor-General the Marquess of Hastings. Mr. Adam can himself testify to the feeble state of my health, which alone ought to have prevented a hasty decision on an affair so momentous to my present and future interests; and other causes also existed to prevent such a measure, without mature reflection, all which was communicated at a very early period (7th February) through Mr. Private Secretary Lushington.

I now, therefore, close this my solemn protest, by submitting that it be immediately laid before the Governor-General in Council: and as I have been removed from the situation at Hyderabad without the slightest blame or misconduct being attributable to me, but solely to meet the wishes of a Resident bent on forwarding the views of others, in disregard of the high authority from which my appointment emanated, and without regard to the honour, interests or even feelings of an old soldier, who has served the Company for twenty-eight years, I hope I may not be considered as wanting in due respect to the Governor-General in Council in thus publicly notifying my intention to bring the whole of my case before the notice of the Honourable the Court of Directors, and finally, if necessary, before the assembled Senate of the country.

I have, &c.

Cape Town,
Cape of Good Hope,
7th May, 1823.

(Signed) L. O'Brien,
Lieutenant Colonel, late First-Assistant,
at Hyderabad.

APPENDIX.

No. 1.—Letter from Colonel Doyle, Military and Private Secretary to the Governor-General, Lord Hastings, dated December 10th 1817.

To Major O'Brien.

"I shewed your letter to Lord Hastings, who was well pleased with your activity. I did not reply to your other letter, from knowing that Lord Hastings wished you to be with the Eighth Light Cavalry, in case any thing rendered it necessary for their moving in the direction of Nagpore. His Lordship has great confidence in your zeal and activity. Should any thing occur in your quarter, you will oblige me much by letting me have the earliest intelligence. You will at once see the reasons why Lord Hastings did not advance the Eighth further to the north-west."

&c. &c. &c.

No. 2.—From Colonel Doyle, &c. &c. dated Christmas Day, 1817.

To Major O'Brien.

"Your letter of the 19th June gave us all the greatest satisfaction, and Lord Hastings is well pleased with Lieutenant Pope's charge, and indeed the whole affair. We are anxious to hear of the wind-up, and I hope you will have an opportunity of cutting up a few of the fellows between Jubbulpoor and Nagpore. We are most anxious for the communication being opened from the latter of these places. I shall feel obliged to you to keep me informed of your movements whenever you are in motion, as it is of consequence frequently even to know that all is quiet, especially in these days of treachery.

I write to Fitzclarence by this day's dawk."

&c. &c. &c.

No. 3.

Lieutenant Colonel O'Brien's Memorial.

Enclosures.

No. 3.—From Lord Hastings, dated 31st December 1817.

To Major O'Brien.

"I congratulate you sincerely on the brilliant action in which you have had a prominent share. The advantage from it is very material, and it is of great importance to preserve that Jubbulpoor territory," &c.

(Signed) HASTINGS.

No. 4.—From Colonel Doyle, dated 6th February 1818.

To Major O'Brien.

"I have just time to tell you, that Lord Hastings intends confirming the Provisional commission of Jubbulpoor, and you will continue one of the Government for some time longer. Your exertions, I assure you, are fully appreciated at Head-Quarters by all."

&c. &c. &c.

No. 5.—From Colonel Doyle, dated 10th March 1818.

To Major O'Brien.

"I have received your letter of the 1st from Pinry. Never did I read or hear of such treachery; but the villains will not long enjoy their joke.

Lord Hastings has desired me to say that he not only approves your conduct upon the occasion, but admires your very masterly retreat. He regrets, however, that it will be impossible to leave you in charge of the siege of the place; but he is determined you shall not be superseded by any one near your standing in the service. General Marshall has, therefore, been ordered with his whole battering train, and every gun he can muster, to blow it into the air."

&c. &c. &c.

No. 6.—From Colonel Doyle, dated 31st March 1818.

To Major O'Brien.

"I congratulate you on the fall of Dhamonee to Major-General Marshall. The circumstance is important when considered relatively to the season, and as affording him abundant time, with undiminished means, to commence upon your friends at Mundela."

&c. &c. &c.

No. 555. Service.

To Major L. O'Brien, commanding at Chuppurah.

Sir:

With a view to your becoming early acquainted with the Commanding Officer's proposed plan of operations, and also to enable you to form your arrangements with the Commissariat Department for the conveyance of provisions and equipments, I am directed by Colonel Adams, C. B., commanding the Nerbudda Field-Force, to transmit to you a copy of his plan for the invasion of the hills, as framed upon the present aspect of affairs, in which, should a material change occur previous to the march of the different columns, to render any alteration in them necessary, timely intimation shall be hereafter forwarded to you. At the same time, I am instructed to communicate Colonel Adams's wish that the contents of the enclosed document may be considered confidential, as any promulgation of them before the commencement of operations might probably tend to defeat or interrupt our views.

More particular instructions regarding the movement and duties of your own column will be furnished to you at a future period; also a sketch, collected from the limited information as yet possessed of that part of the country.

I have, &c.

Camp, Synkerah,
5th January 1819.

(Signed) ROBERT BECHER,
D. A. G. M. G.

To

Lieutenant Colonel O'Brien's Memorial

Enclosures.

To Major O'Brien, Commanding the left Column, Service.

Sir:

I am instructed by Lieutenant-Colonel Adams, C. B., commanding the Nerbudda Field Force, to acknowledge the receipt of your despatch of the 15th instant, detailing the complete success which had attended your spirited attack of that day upon Chyne Sah and his followers, and to offer you the expression of his warmest thanks and applause, for the distinguished energy which determined your immediate reconnoissance, and for the skill and judgment displayed by you, not only in the primary arrangements, but throughout the operations.

The Commanding Officer will experience a high gratification in making a faithful report of your splendid and happy success to the Adjutant-General of the army, for the information of the Most Noble the Commander-in-Chief; and in the mean time, requests that you will do him the honour to convey to Major Manby, and the whole of the officers and men of your column, his best thanks and admiration of their gallant and spirited exertions on this occasion.

I have, &c.

Assistant Adjutant-General's Office, (No signature.)
Head-Quarters, Nerbudda Field Force,
Camp, Puchmurry,
19th February 1819.

To Major O'Brien, Commanding Detachment, Camp

Sir:

I beg to acknowledge the receipt of your letter of the 15th instant, enclosing copy of your report of an action with a body of from five to six hundred of Chyne Sah's followers, which ended in their entire defeat and the capture of two of his nephews.

This enterprize was attended with no common difficulties, and it reflects great credit on the judgment and activity which conducted it to so successful an issue. The subsequent surrender of Chyne Sah is an event highly satisfactory, and will most probably put an end to all opposition in that quarter.

I shall have much pleasure in bringing the conduct of your detachment into the notice of Government.

I have, &c.

Nagpore, (Signed) R. JENKINS,
20th February 1819. Resident.

To Major O'Brien.

My dear O'Brien:

I am much obliged to you for your interesting letters, and congratulate you most sincerely on the successful result of your operations, which reflects great credit on you and your division, and exceeds every thing that could have been anticipated at so early a period. The capture of Chyne Sah is a great point effected, and I expected we should have had much trouble with him; but your intelligence has been admirable, and your success very honourable to your judgment and perseverance, in a country so inaccessible and difficult. Could you not get Blake to take some sketches of the most remarkable views?

I have written to Colonel Scott about sending you back your squadron as soon as he thinks they can be spared, which I hope will be soon. I will also write to Molony about your continuing for the present in the civil charge of the Chuppenah's district, as long as he can leave you there.

You will have heard of Appa Saheb's escape to the south-west. At first he was believed to have been received into Assur, but the last accounts render it doubtful, and he is now reported to have fallen sick and died in the hills further west. Sir John Malcolm has pushed down his division to that quarter, and the Arabs have again suffered a surprise and total rout. They and all the rest of his followers are flying in every direction, and the business will, I hope, soon be at an end.

Lieutenant Colonel O'Brien's Memorial.

Enclosures.

I was much obliged by the History of Jabb, which is a very interesting and able work, and contains, as you observe, much valuable matter, applicable to my present employment.

I remain, &c.

Nagpore, R. JENKINS.
22d February 1819.

I humbly submit the foregoing statement to his Excellency, to enable him to judge if I did fulfil my duties as a soldier, and if, in so doing, I am subject to the loss of my military allowances.

I have, &c.

3d September 1819. (Signed) L. O'BRIEN,
Lieutenant-Colonel.

To the Officiating Military Auditor-General, Military Department.

Sir:

1. I am directed by the Most Noble the Governor-General in Council to acknowledge the receipt of your letter (No. 121) of the 3d instant, with its enclosures, submitting the appeal of Major O'Brien, of the Eighth Regiment of Light Cavalry, from a retrenchment standing against him for superior batta, guide and stationary allowances, drawn by him as commanding that corps.

2. In reply, I am instructed to state, that his Lordship in Council, taking into consideration all the circumstances of the case as set forth by Major O'Brien, together with the particular nature of the military service upon which, though holding a civil office, he was so actively and beneficially employed, is pleased to authorize you to remit the retrenchments for superior batta and guide allowances standing against him.

3. I am further instructed to add, that this special sanction for passing the above allowances to Major O'Brien is in no way to interfere with the decision already passed by Government, conformably to strict equity, no less than the regulations of the service, in favour of the officer in actual command of the Eighth Regiment of Light Cavalry, as communicated in my letter of the 17th April last to the Department of Audit.

I am, &c.

Council Chamber, (Signed) WILLIAM CASEMENT,
11th September 1819. Lieutenant-Colonel,
Secretary to the Government, Military Department.

LETTER *from* LIEUTENANT-COLONEL O'BRIEN, C.B., *to* MR. SECRETARY DART.

Letter from Lieut.Col.O'Brien.

To Joseph Dart, Esq., Secretary to the Honourable the Court of Directors for the Affairs of India.

Sir:

At the moment when I was prepared to send the accompanying Memorial to you, for the purpose of being laid before the Honourable the Court of Directors, I received a letter from the Marquess of Hastings, transmitting me papers just received by his Lordship from Mr. Adam, and which accompany this second letter to your address.

I have now to congratulate myself, ere I come before the Honourable the Court of Directors for redress, that the kindness of Lord Hastings has enabled me to accompany my memorial with this document. It may be thought to present at once an additional feature of hardship, and of reason, why I have been compelled thus far to come for justice; but as the honour and well-being of one of your servants is as sacred to you as another, I look without dread to this act of private added to public wrong, leaving the justification of both in the hands of the Honourable Court. I therefore hasten to submit this addi-

tional

tional ground of injury, as, from the whole character of the proceeding, I cannot bring myself to believe it will be otherwise ushered to the notice of the Court. Letter from Lieut.Col.O'Brien.

Were it possible for a man, whose judgment may well be clouded by so unexpected, and situated as I am, unprecedented a wrong, I would intrude upon your time by an analysis of those singular productions of Sir Charles Metcalfe, and by contrasting the sentiments of each, lay bare the mental feelings which dared to give birth to the calumny.

It cannot but be apparent, however solicitous Sir Charles Metcalfe is to avoid the imputation, that disappointment and personal mortification at the supersession of his friends, have tended to produce these malignant insinuations against me. He commences with a denial of this being the chief cause. He no sooner poisons the ear of Government with his studied and dubious insinuations, than he winds up his arguments in the language of supplication to have these officers formally installed, thereby closing the door against my views; winding up the whole with bold insinuation of coming forward with proof, but hoping he may not be called upon.

There is a studied act which characterizes the whole of this letter, at one moment appearing to imply a knowledge of circumstances constituting public criminality, and again only tangible as operating to destroy his feeling of confidence in me. This, though unpleasant doubtless, yet would involve no moral incapacity, and might be passed over; but as he has presumed to say these circumstances would affect my public services to Government, he cannot be allowed the benefit of such lenient intention.

In the letter where such cruel aspersions are thrown on my character, he affects ignorance of "the appointment having taken place," or "even in contemplation;" and, in such event, he begs his letter may be destroyed. Is character thus to be sported with to suit temporary views? Is an officer's fair fame of near thirty years of good and approved service to be thus undermined with the chief organ of our Eastern Government?

Contrast this his eighth paragraph with the first, where he sets out with saying directly, not only did he know of the office being tendered to me by Lord Hastings, but his knowledge of my having accepted of it. What is not to be argued from this duplicity? Contrast the sentiments of Sir Charles's letter to my address with that to Mr. Secretary Swinton desiring the appointment to be cancelled. Is there the slightest support of uniformity in the sentiments or reasons adduced publicly and to myself, for wishing my appointment annulled? Here he makes the cause "a duty to himself and fellow-labourers:" "of the merit of his request," he even says, he "cannot form a judgment." This letter is said to have been written three days, and is dated so much after what he calls his protest, where he hesitates not to proclaim my "demerit." Let me ask, what sentiment could have been floating in Sir Charles's mind, when he doubts the propriety of his request, instead of the solemn duty which appears to impel his public appeal to obtain his desire. Herein he places his reasons on entire new grounds: that I should be unavoidably involved "in contention and strife," in the scenes of dissension at that court. Again, that my appointment originated in Lord Hastings' dislike to him, and the only proof this Nobleman could evince of his resentment: but he soon shifts from this ground, and after having tried various expedients to make me desist, he adds, "I have no right to deter," not even "to presume to bias your resolutions:" closing the whole with an affectation of candour and declaration of regret, at his being "compelled to act unfriendly towards me even in appearance." Yet, with all these sentiments of friendly regard, of no right even to dissuade, far less deter, does he in his letter to Mr. Secretary Swinton travel far out of the road of candour or justice, in his anxiety to bar the prospects opened to me by Lord Hastings, merely because they oppose those he had formed for others. Had Sir Charles Metcalfe limited his reasons to want of confidence, this plea would have been a sufficient bar to have prevented me forcing myself upon him, without those extraneous insinuations which must fall to nothing when inquired into, and recoil on his and the heads of those who have thus maliciously, for party and temporary views, dared to slander my character.

The

Letter from Lieut.Col.O'Brien.

The affectation of candour assumed by Sir Charles Metcalfe, to give colouring to his insinuations, is strongly marked in the conclusion of the second paragraph of his communication to Mr. Secretary Swinton, where he states, "It is due to himself, as well as to Lieutenant Colonel O'Brien," to apprise him of the existence of circumstances which should bar my appointment. It would, indeed, have been honourable in him to have afforded these, instead of hinting at their existence; and I most bitterly lament, that the Supreme Government had not in its judgment thought it advisable to place me in possession of Sir Charles's insinuations, when, with all the proud consciousness of self-esteem, I venture to assure the Honourable Court, that I should not this day have had to request the suspension of its judgment, for such tardy proof of any bar existing to my holding even a higher and more confidential situation in their service, than First Assistant to Sir Charles Metcalfe.

While I must lament deeply that the Supreme Government did not see the necessity of complying with my request to be furnished with the copy of the Protest, it is a matter of considerable satisfaction, and which will not fail to force itself on the observation of the Honourable Court, that the Governor-General and Council of India arose from the perusal of that letter of the Resident's, filled as it is with artful insinuations, and which I cannot peruse in this distant quarter but with painful emotion, yet the Council rose without any other feeling than that of the inconsistency and unsuitableness, from my high rank and professional character, "which would materially embarrass the Resident in "the due performance of his important functions," &c.; I will admit fully this construction, though I may question the propriety of my appointment being annulled on such grounds. Perhaps my knowledge of the world and mankind might be deemed too great by Sir Charles Metcalfe. I say this, simply as one reason to account for want of confidence, and to repel apparent aspersions; but which, so far from having operated to my prejudice by the Supreme Government in its decisions, they avowedly and most distinctly declare. "the result of "their deliberations" is not intended "to convey any reflection on my general "character." Would this have been their language, had they placed credence in the aspersions of the Resident at Hyderabad? While, therefore, I seek redress from the general hardship of my case, my general character is even supported by the Government, against whose acts I have been compelled to protest; and now the more urgently, from the insidious manner, while denied all power of justification, it has been endeavoured to poison the ear of the illustrious Nobleman who advanced my views, solely, as he himself affirms, from the conviction and knowledge of my ability to aid the public service of my country. This the Noble Marquess is anxious to prevent, by giving me an opportunity of preserving a character hitherto deemed irreproachable.

Having now commented on the correspondence, it is scarcely necessary further to dwell on the gross injustice of withholding from my knowledge, while on the spot to vindicate myself, so serious an attack upon every thing dear to me, as is conveyed in Sir Charles Metcalfe's letter, and afterwards transmitting it to Europe, where it is totally out of my power to avert, by any vindication, the injury which that letter is designed to inflict.

In the present stage of the business, nothing is left for me, but to throw myself in the most respectful manner on the protection of the Court, and to solicit them, to claim the fullest investigation into whatever circumstances, without concealment or reservation, Sir Charles Metcalfe may have to adduce against me. In soliciting this, I humbly hope the Honourable Court will see the cruelty of my situation, and will consider that, in my seeking for an investigation by which I am ready to stand or fall, I ask no more than common justice demands. If my vindication follows, there can be little doubt but that the Honourable Court will, in their judgment, devise such other satisfaction for the gross insinuations by which I have been assailed, as will in some way atone for my wounded honour and ruined prospects.

The note submitted by Mr. Adam to the Council is founded on misconception of the meaning of our private and hurried conversation. I had not the most distant idea that that conversation would either be made or considered as an official one, nor was I acquainted that it took place on a Council-day. That there should be no mistake, my letter (No. 7, in the memorial) was written within

Letter from Lieut.Col. O'Brien.

within two or three hours after the conversation, and the rough draft of the letter to Mr. Metcalfe was destroyed, conceiving it an improper one to send. I am almost satisfied, that I made at least three appeals to Mr. Adam, during our conversation, to be furnished with Sir Charles's grounds for calling on Government to cancel my appointment. I stated, that I looked upon it as an act of justice and due to my character. Such, also, is strongly urged in my correspondence, and I must ever lament that the requisition was not complied with.

I have now but to apologize for my intrusion on the Court, in whose hands I leave this delicate question; and have the honour to remain,

Sir, &c.

12, Norfolk Street, Strand,
16th September 1823.

(Signed) L. O'BRIEN,
Lieutenant Colonel, C. B.

To Lieutenant Colonel O'Brien.

My dear Sir:

The accompanying papers* have just been received by me from Mr. Adam. The first, in disclaiming all private motives for objecting to you, and in placing his remonstrance against your appointment on ground other than your supersession of the young gentlemen in his suite, conveys an insinuation by Sir Charles Metcalfe of your having furnished some reason, of a public nature, for his resisting official connexion with you. As I cannot think it equitable that any gentleman should suffer from an imputation which, through its not being communicated to him, he has not the means of answering, I feel it incumbent on me to let you peruse the letter.

I have, &c.

Camden Hill,
4th September 1823.

(Signed) HASTINGS.

EXTRACT *from the* MINUTES *of the* COURT OF DIRECTORS,
Of the 8th October 1823.

Minutes of the Court of Directors, 8 Oct. 1823.

The Chairman laying before the Court a further report from the Committee of Correspondence, dated this day, submitting a statement of the facts connected with the appointment by the late Governor-General in Council of Lieutenant Colonel O'Brien, C. B., to the office of First Assistant to the Resident at Hyderabad, and his subsequent removal therefrom by the present Government, accompanied by such observations thereon as have suggested themselves to the Committee;

It was Ordered, That the said report be taken in consideration on Wednesday next, the 15th instant.

REPORT *of the* COMMITTEE OF CORRESPONDENCE,
Dated 8th October 1823.

Report of the Committee of Correspondence, 8 Oct. 1823.

1. Pursuant to the Court's reference, your Committee have had under consideration paragraphs 6 to 9 of the letter in the Political Department from Bengal, dated the 7th of March last, together with the documents therein referred to, and also a Memorial from Lieutenant Colonel O'Brien, C. B., accompanied with an appendix, dated the 16th of September 1823, on the subject of his appointment by the late Governor-General in Council to the office of first Assistant to the Resident at Hyderabad, and his subsequent removal therefrom by the present Government. And your Committee proceed to submit to the Court the facts of the case, accompanied with such observations thereon as have suggested themselves to your Committee, and as appear to be called for, in answer to the communication from the Bengal Government and to the memorial of Lieutenant-Colonel O'Brien.

2. It

* These Papers, comprizing Letter from Sir Charles Metcalfe to Mr. Swinton, dated 18th January 1823, and Minute of the Governor-General (Mr. Adam) dated 11th February following, will be found in pages 419 and 421.

Report of the Committee of Correspondence, 8 Oct. 1823.

2. It appears that the appointment in question, bearing date the 2d January 1823, was one of the last acts of the Marquess of Hastings' Government, and that it took place on the promotion of Mr. Sotheby from the situation of First Assistant at Hyderabad to that of Agent to the Governor-General at Moorshedabad.

3. Sir Charles Metcalfe having received a private intimation that it was in contemplation to appoint Lieutenant-Colonel O'Brien to be his First Assistant, addressed a private letter, on the 18th January 1823, to Mr. Swinton, Secretary to Government in the Political Department, disclaiming "the most distant "idea of presuming to object to any nomination made by the Government," or to offer any opinion as to the supersession of his Assistants, who had zealously and ably performed their duties under him, whatever mortification he necessarily felt on that account, disavowing also all objections of a private nature to Lieutenant-Colonel O'Brien, but submitting, "that there were circumstances "which rendered it impossible that he could ever employ Lieutenant-Colonel "O'Brien with the confidence which ought to be given to the officer holding "the situation of his First Assistant," adding, "the circumstances to which I "allude are such as I should be sorry to be compelled to bring to the notice of "Government, and I hope it will be deemed sufficient for me to declare my "solemn conviction, founded on those circumstances, that Lieutenant-Colonel "O'Brien cannot possibly be employed under me with advantage to the public "interests." On this ground, Sir Charles Metcalfe begged of Mr. Swinton, in the event of Lieutenant-Colonel O'Brien's appointment having taken place, to submit to the Government his most respectful but earnest entreaty that it might be cancelled.

4. On the 21st January, Sir Charles Metcalfe, in replying to a private letter from Lieutenant Colonel O'Brien, informed him, that he had protested against his nomination to be his First Assistant, and that he had requested that it might be cancelled.

5. On receiving this communication from Sir Charles Metcalfe, Lieutenant-Colonel O'Brien, on the 10th of February, transmitted a copy of it to Mr. Swinton, for the purpose of being laid before the Governor-General in Council, and requested to be furnished with a copy of the protest alluded to in Sir Charles Metcalfe's letter.

6. On the 11th of February, the Governor-General wrote a Minute at Barrackpore, wherein he stated that he had had a private interview (in presence o Captain Locket, his Aide-de-Camp) with Lieutenant-Colonel O'Brien, subsequent to the receipt by the latter of Sir Charles Metcalfe's letter of the 21st January; that a memorandum of the substance of what passed at that interview had been made by Mr. Adam immediately after it took place, and that, within an hour, it had been imparted to his colleagues in the Council-Chamber; that, at the interview in question (which occurred on the 7th of February), Lieutenant-Colonel O'Brien had shewn to the Governor-General Sir Charles Metcalfe's letter of the 21st January, together with an answer thereto, which Lieutenant-Colonel O'Brien intended to despatch, the tenor of which was, "that he (Lieu-"tenant-Colonel O'Brien) felt that he had been made a tool of; that the office "had been offered to, and not sought by him; that he had no conception that "his appointment would be objectionable to Mr. Metcalfe; that after the "receipt of his letter he could never think of entering the family of Mr. Met-"calfe; and that though he had undergone considerable expense in prepara-"tion, his resolution was to return to England, and not to proceed to Hyder-"abad." He is further represented by Mr. Adam as having, at this interview, "expressed a hope that what he termed the cancelling of his appointment "would be effected in such a way, as not to wound his feelings or injure his "character;" and Mr. Adam further states, that it was suggested by him, and acquiesced in by Lieutenant-Colonel O'Brien, that the latter should make a voluntary tender of his resignation; that Sir Charles Metcalfe's protest having been in a private and demi-official form, was not to be brought on record, or made public in any manner whatever; and that his (Lieutenant-Colonel OBrien's) want of health was of itself a sufficient reason for his altering his destination.

7. It

Report of the Committee of Correspondence, 8 Oct. 1823.

7. It appears, however, from a correspondence subjoined to the Governor-General's minute, that on the 7th of February, the same day on which the interview took place, Lieutenant-Colonel O'Brien had changed his mind, both as to resigning his appointment and replying to Sir Charles Metcalfe's letter; and that he applied, through Mr. Lushington, the Private Secretary to the Governor-General, to be furnished with a copy of Sir Charles Metcalfe's "protest."

8. Mr. Lushington, on the following day, by desire of Mr. Adam, expressed the disappointment which was felt, in consequence of the change which Lieutenant-Colonel O'Brien's views had undergone, his intention to proceed to Europe having in the interval been communicated by Mr. Adam to the other Members of Government and to Sir Charles Metcalfe; and Mr. Lushington, besides reminding the Lieutenant-Colonel of the infirm state of his health, and the impossibility of Sir Charles Metcalfe and him acting together with any benefit to the public service, explained to him that, though Mr. Adam had assented to his appointment when proposed by Lord Hastings, he had done so with considerable reluctance, caused by the claims of the actual Assistants to the Resident, claims which had been recognized by Lord Hastings on a former occasion, when the same appointment had been refused, on that very ground, to an officer of high character and pretensions. With respect to the communication of the "protest," the Lieutenant-Colonel was informed, that that rested not with Mr. Adam, but with the Government.

9. On the 14th of February, Mr. Swinton, in reply to the Lieutenant-Colonel's official letter of the 10th of that month, put him in possession of the final decision of Government, in a letter of which the following is an extract.

"10. The tenor of Mr. Metcalfe's communications to Government and to yourself, combined with your avowed reluctance, in consequence, to serve under that officer, has satisfied the Governor-General in Council, that no benefit could be expected to result to the public service by your proceeding to Hyderabad in the situation to which you have recently been appointed. On the contrary, the Governor-General in Council feels, that the mutual want of confidence and unavoidable estrangement which must necessarily subsist between you and Mr. Metcalfe, while they must place you in a situation wholly unsuitable to your rank and professional character, would materially embarrass the Resident in the due performance of the important functions of his office, frequently of the most confidential nature, and would consequently prove highly detrimental to the interests of the allied Governments.

"11. The Governor-General in Council has, therefore, resolved to cancel your appointment to the office of First Assistant to the Resident at Hyderabad from the present date; and you will consider it to be annulled accordingly.

"12. In communicating the foregoing result of the deliberations of Government, I am directed to inform you, that the opinion has been formed solely on a view of the apprehended effect on the public interests at Hyderabad, of your proceeding thither in the capacity of First Assistant under existing circumstances, and is not meant to convey any reflection on your general character. The present proceeding being limited to this view of the case, it seems to the Governor-General in Council unnecessary and inexpedient to agitate the question further, or to depart from an established principle of Government, by communicating to you a letter from a confidential officer, which has no otherwise influenced the present decision than in the manner now stated."

13. The appointment of Lieutenant-Colonel O'Brien having been thus cancelled, he was permitted to proceed to this country on sick certificate, on board the Sir Edward Paget.

14. Since his arrival, Lieutenant-Colonel O'Brien has sent a Memorial to the Court, in which he traces his services to the Company; represents his conversation with Mr. Adam of the 7th of February as having been of a private nature, and as not having been intended by him to be communicated to the Council, much less to constitute the foundation of any public proceeding; complains

Report of the Committee of Correspondence, 8 Oct. 1823.

complains that he has been the victim of an intemperate letter, written by the person to whom he had been appointed an Assistant; and draws the Court's attention to a formal protest which he had transmitted to India from the Cape of Good Hope, against the revocation of his appointment by the Bengal Government; and in a letter addressed to Mr. Secretary Dart, accompanying the Memorial, Lieutenant-Colonel O'Brien comments on the letter from Sir Charles Metcalfe to Mr. Swinton, of the 18th January, a copy of which had been furnished to Lieutenant-Colonel O'Brien by the Marquess of Hastings in this country, and dwells on the injustice of the Government in having withheld this letter from him, and thus put it out of his power to vindicate himself from the insinuations it contained, against which he now solicits the protection of the Court.

15. Although the late Governor-General in Council had an undoubted right to supply all vacant offices before his Lordship resigned the Government, yet it is in the opinion of your Committee to be regretted, with reference to the state of things at Hyderabad at that period, to the late discussions which had taken place between his Lordship and the Resident, and to the extreme difficulty of the task which devolved on his successor in the Government, of retrieving the affairs of the Nizam from the embarrassments into which they had fallen, that his Lordship had not waved the exercise of his right, and left to others the nomination of a First Assistant to the Resident.

16. With respect to the representation conveyed in Sir Charles Metcalfe's letter to Mr. Swinton of the 18th of January, against the appointment of Lieutenant-Colonel O'Brien, which representation has been termed a *protest*, both in Sir Charles Metcalfe's letter to Lieutenant-Colonel O'Brien of the 21st of January, and in the despatch of the Bengal Government to the Court of the 7th of March, your Committee think it incumbent on them to observe, that no subordinate functionary can be justified in protesting, in the technical sense of the word, against any act of the Government under which he is placed; and that if the Bengal Government so understood Sir Charles Metcalfe's letter to Mr. Swinton, they failed in their duty, in not admonishing Sir Charles Metcalfe on account of such a breach of discipline. Your Committee are disposed, however, to put a more favourable construction on Sir Charles Metcalfe's intentions, and to suppose that the Government also judged more favourably of them, by acquitting him of any design to do more than to submit in strong terms, and on public grounds, objections to Lieutenant-Colonel O'Brien's appointment.

17. But your Committee can by no means approve of the tone and tenor of Sir Charles Metcalfe's letter to Mr. Swinton, which, with Sir Charles Metcalfe's permission, has become an official document.

18. Your Committee consider the present Government justified, under the circumstances of the case, in cancelling an appointment, from which no benefit to the public interests could reasonably be expected; but they regret that the Government did not call on Sir Charles Metcalfe for a frank and full disclosure of the grounds of the objections contained in his letter to Mr. Swinton, and afforded Lieutenant-Colonel O'Brien an opportunity of obviating and repelling them.

19. The imputation cast on the Marquess of Hastings, in the letter from Sir Charles Metcalfe to Lieutenant-Colonel O'Brien, namely, that Lieutenant-Colonel O'Brien's appointment was "a parting token of Lord Hastings' "resentment, done purposely for his (Sir Charles Metcalfe's) annoyance," appears to your Committee highly reprehensible; and not the less so, that the Marquess of Hastings, in a letter to Lieutenant-Colonel O'Brien, dated from Camden Hill, July 21, 1823, has since, equally without warrant, ascribed the cancelling of his appointment to "private partiality."

20. It was doubtless in the power of Lieutenant-Colonel O'Brien to have prevented Sir Charles Metcalfe's letter to Mr. Swinton, of the 18th of January, from becoming a public document, by finally adopting Mr. Adam's suggestion (in which he at one time acquiesced), of making a voluntary tender of his resignation; but it must nevertheless be admitted, that the considerations which led

led him to decline acting on that suggestion had great weight: and your Committee submit, that Lieutenant-Colonel O'Brien is entitled to a declaration, on the part of the Court, that he has not suffered in any degree in their opinion, from Sir Charles Metcalfe's letter to Mr. Swinton of the 18th of January, and that his character and services stand high in their estimation. Your Committee recommend that the expression of such opinion be conveyed to the Bengal Government.

Report of the Committee of Correspondence, 8 Oct. 1823

21. Your Committee cannot, however, overlook the irregularity committed by Lieutenant-Colonel O'Brien, of transmitting to India from the Cape of Good Hope a formal protest against the act of the Bengal Government cancelling his appointment. They are willing to make every allowance for the feelings of Lieutenant-Colonel O'Brien, under circumstances calculated, unquestionably, to try them; but such a proceeding, under any circumstances, they are bound to pronounce wholly indefensible.

22. Your Committee have only further to submit, in case the Court shall concur in the view taken in this report of the proceeding to which it relates, that the answer to paragraphs 6 to 9 of the Political Despatch from the Bengal Government of the 7th of March, be framed in consonance therewith, and that a letter be addressed to Lieutenant-Colonel O'Brien agreeably to the tenor of the two last paragraphs of this report.

(Signed) W. WIGRAM,
W. ASTELL,
&c &c. &c.

EXTRACT *from the* MINUTES *of the* COURT OF DIRECTORS, *The 15th October*, 1823.

Minutes of Court of Directors, 15 Oct. 1823.

The Court proceeding, agreeably to order, to take into consideration a report from the Committee of Correspondence dated the 8th instant, which was laid before the Court on that day, submitting a statement of the facts connected with the case of Lieutenant-Colonel O'Brien, who was appointed by the late Governor-General in Council to the office of First Assistant to the Resident at Hyderabad, and was subsequently removed therefrom by the present Government, accompanied by such observations thereon as have suggested themselves to the Committee, and as appear to be called for in answer to the communication from the Bengal Government, dated 7th March last (paragraphs six to nine of the letter in the Political Department), and to the Memorial of Lieutenant-Colonel O'Brien, dated 16th ultimo;

And the said report being read,

It was moved, "That this Court approve the said Report:" whereupon

A long debate ensued, in the course of which it was proposed to amend the said motion, by leaving out all the words after the word "That," for the purpose of inserting the following, viz. "The said report be re-committed."

And the question, "That the original words stand part of the question," being put by the ballot,

It passed in the affirmative.

It was then, on the main question,

Resolved by the Ballot, That this Court approve the said report.

Mr. Pattison's Dissent.

To the Honourable the Court of Directors.

Gentlemen:

It is with great reluctance that I avail myself of my privilege to place on the records my dissent from the resolution of the Court of the 15th instant, approving a report of the Committee of Correspondence on the case of Lieutenant-Colonel O'Brien; but the course of reasoning adopted in that report, and the measures it recommends, appear to me so erroneous and fraught with evil tendencies, that having in vain endeavoured to prevent the decision of a small majority

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Mr. Pattison's Dissent.

in favour of those measures, I consider it my duty to record the grounds of that resistance, in order that, if the paragraphs which the report engages to produce in consonance with its reasonings, shall indeed be such; shall pass the Court; and finally receive the sanction of the Board of Commissioners; whatever may be the effect of this proceeding on the credit of the Court and of the Bengal Government, or on the character of our military service, I may have the consolation of a record, that I used my best endeavours to prevent loss of character in any quarter, by recommending the adoption of the simplest of processes; namely, that of calling for a distinct explanation from Sir Charles Metcalfe of the undefined insinuations brought forward by him to the prejudice of Lieutenant-Colonel O'Brien, previously to any opinion whatsoever being passed by the Court upon the delicate question at issue.

The facts are few and simple. I shall briefly recapitulate them, and then proceed to comment on the view taken of them by the Committee, and adopted by a majority of the Court.

It appears that, on the occurrence of a vacancy at Hyderabad of the station of First Assistant to the Resident, the Marquess of Hastings proposed to the Council the appointment thereto of Lieutenant-Colonel O'Brien, C.B., of the Honourable Company's service, an officer of approved and high character, and who had served satisfactorily in a civil capacity under the Resident at Nagpore; and that, although Mr. Adam raised an objection, with a view to the claims to the succession of Lieutenant Barnett, the Second Assistant, it was waved, and Lieutenant-Colonel O'Brien, without solicitation on his part, stood appointed First Assistant to the Resident, Sir Charles Metcalfe, by a deliberate act of the Bengal Government.

It further appears, that this nomination took effect on the 1st or 2d of January, while the Marquess of Hastings held the reins of Government; but was not promulgated in the Government Gazette till the 9th of that month, after his Lordship had embarked, and the Government had, by law, devolved on Mr. Adam.

Lieutenant-Colonel O'Brien having addressed a private letter to Sir Charles Metcalfe, under date of the 6th January, announcing his appointment and tendering his best services, it appears that Sir Charles Metcalfe, in answer, dated 21st January, after acknowledging his civilities, informed Lieutenant-Colonel O'Brien that he should protest against his appointment; but no specific grounds of objection are stated in this letter, beyond what had reference to the inconvenience Lieutenant-Colonel O'Brien himself would suffer from the difficulties in which the Residency was placed: and in this letter, Sir Charles Metcalfe is pleased to term Lieutenant-Colonel O'Brien's appointment "a parting "token of Lord Hastings' resentment."

It further appears, that under date of the 18th January, Sir Charles Metcalfe had despatched a letter to Mr. Swinton, Secretary to the Government, remonstrating against the appointment of Lieutenant-Colonel O'Brien; not on the ground of the claims of his Assistants (which however he brings to notice, while he disclaims any right to urge them), but on the specific grounds of his being unable to afford Lieutenant-Colonel O'Brien his confidence, and of the impossibility of the Government deriving benefit from his services. Towards the close of his letter, he brings his Assistants again into notice for their merits and services; and urges, in the event of the "cancelment of Lieutenant-"Colonel O'Brien's appointment," the promotion of all of them in succession: and the last paragraph states, that he has no objections to this letter being recorded, if thought necessary; and it must not be omitted that he declares, although he should feel reluctant to explain the grounds of his objection to Lieutenant-Colonel O'Brien (whom however he acknowledges to be a "pleasant companion"), he should be ready to bring them forward if required.

This letter being the keystone which has upheld the whole edifice, over which Lieutenant-Colonel O'Brien's removal and Lieutenant Barnett's substitution for him have travelled, I beg to subjoin a copy* of it, as an Appendix to this dissent.

It appears that Lieutenant-Colonel O'Brien, on receiving Sir Charles Metcalfe's letter to *his* address, waited on Mr. Adam, signified in strong terms the irritation

* The letter here referred to will be found in pages 419 and 420.

irritation of his feelings at the treatment he had met with, and his reluctance, under such circumstances, to enter the family of Sir Charles Metcalfe, a copy of whose protest he reiteratedly desired to have afforded him. This bias of his mind received much encouragement from Mr. Adam; who suggested, that he should resign his appointment, and proceed to Europe for the recovery of his health; in which case there would be no need to record Sir Charles Metcalfe's letter, and the real state of Lieutenant-Colonel O'Brien's health would fully account for his vacating the appointment. To these arguments it would appear that Lieutenant-Colonel O'Brien lent an ear; but no official paper or declaration in writing was even thought of, and Lieutenant-Colonel O'Brien, of course, considered this interview with Mr. Adam, and all that had passed, as matters of a private nature. Not so Mr. Adam; for he proceeded immediately to the Council-Board, and made known to his Colleagues what had passed: and even proceeded, with equal haste, to communicate this inchoate purpose of Lieutenant-Colonel O'Brien to Sir Charles Metcalfe, in answer, I presume, to his protest, which had already reached the Governor-General. Lieutenant-Colonel O'Brien, however, on more deliberate reflection, saw the error he had been on the brink of, as it might affect his character; and on the very same evening, the 7th February, despatched a letter to Mr. Lushington, Private Secretary to the Governor-General, stating his inability to meet Mr. Adam's suggestions, and earnestly requested to be furnished with a copy of Sir Charles Metcalfe's protest. To this he received an immediate answer, expressive of Mr. Adam's concern at what was termed his change of mind or purpose, and stating that compliance with his request to be furnished with a copy of Sir Charles Metcalfe's letter did not rest with Mr. Adam, but with the Government. And Lieutenant-Colonel O'Brien, in consequence, after asking the Governor-General's permission, forwarded through Mr. Swinton, officially, a request for a copy of that document.

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Mr. Pattison's Dissent.

It appears that, on Lieutenant-Colonel O'Brien's letter being submitted to the Council-Board, the Governor-General in Council came to the resolution, on the 14th February, to cancel Lieutenant-Colonel O'Brien's appointment, on the plea of his "avowed reluctance" to serve under Sir Charles Metcalfe, of the estrangement existing between them, and "of the apprehended effect on "the public interests at Hyderabad, of his proceeding thither under existing "circumstances;" and Mr. Swinton, in communicating this resolution to Lieutenant-Colonel O'Brien, accompanied it with a declaration of the Governor-General in Council, that the present proceeding "was not meant to convey "any reflection on his general character; and being limited to this view, it was "unnecessary and inexpedient to agitate the question further," or "to furnish "him with a copy of a letter from a confidential officer."

Lieutenant-Colonel O'Brien, after waiting fruitlessly for some time, to see in what terms his removal would be announced in the Government Gazette, proceeded to Europe for the benefit of his health; and when at the Cape of Good Hope, forwarded to Calcutta a formal protest against the proceedings of Government in his case: and it is a curious circumstance, that on searching the Government Gazettes since the date of Lieutenant-Colonel O'Brien's removal, no promulgation whatever can be traced of that occurrence, nor of the substitution of Lieutenant Barnett for an officer so superior to him in rank and experience.

On his arrival in England, Lieutenant-Colonel O'Brien presented a Memorial to the Court, praying for redress and protection at their hands: and having afterwards been furnished with a copy of Sir Charles Metcalfe's protest by Lord Hastings, who had received it from Mr. Adam, he enclosed it, together with a letter on the subject to his address from his Lordship, in a supplementary address to the Court, as an Appendix to his Memorial. In this supplement it is to be particularly observed, that Lieutenant-Colonel O'Brien comments on the contents of Sir Charles Metcalfe's protest against his appointment; and after stating his "persuasion, that the well-being and honour of one of the "Company's servants is held as dear as those of another," he earnestly entreats that strict inquiry may be called for by the Court into the grounds of Sir Charles Metcalfe's insinuations against him, "by the result of which he "declares himself ready to stand or fall."

Thus

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This Memorial was read in Court, and referred to the Committee of Correspondence, to be reported on in due course.

Mr. Pattison's Dissent.

The matter referred appears to me to be a simple question, whether Lieutenant-Colonel O'Brien has, or has not, substantial grounds of complaint against the Bengal Government for cancelling his appointment, their own act, at the instigation of Sir Charles Metcalfe, and on his bare assertion that he could not grant Lieutenant-Colonel O'Brien his confidence; and for thus inflicting a stigma upon his character, without affording him an opportunity to refute it, by calling upon Sir Charles Metcalfe for explanations, which he had professed himself reluctant to enter upon, but ready to bring forward if required to do so.

The Committee, however, in their report, which I shall now proceed to examine, have not been content to consider this a simple question, but have blended much irrelevant matter therewith, in order to bring it within the range of the Hyderabad discussions, and thereby, as it would seem, to give it a colouring favourable to the cause of the Government and of Sir Charles Metcalfe, and of consequence prejudicial to that of Lieutenant-Colonel O'Brien. But for this unnecessary, and in my opinion, somewhat unfair enlargement of the case, I cannot conceive it possible that a majority of the Court could have come to a decision so opposite to what was equitably required of them.

The report begins somewhat aukwardly, and in deviation from usual practice, by stating paragraphs 6 to 9 of the Bengal letter in the Political Department as the matter referred to the committee, and Lieutenant-Colonel O'Brien's Memorial as incidental thereto; in lieu of reporting directly on the Memorial itself, which *was* specially referred to the Committee, while the paragraphs mentioned were *not*, and quoting, or bringing to notice, the said paragraphs, with the other documents to which reference had been necessary, for the elucidation of the subject. This may be alleged to have been only an error in form; but savouring as it does of want of regard to Lieutenant-Colonel O'Brien's case, I cannot but think the mode adopted to have been the effect of design, in order to enlarge the range of the report, for the purpose above-mentioned, at its very outset.

The report proceeds to narrate the circumstances of the case, some of which are omitted: such as the date of the promulgation of Lieutenant Colonel O'Brien's appointment, and the urgency with which Sir Charles Metcalfe, both at the beginning and end of his protest, advocates the pretensions of his assistants: The former omission is of importance, only, as it leaves out of sight the direct sanction of Lieutenant Colonel O'Brien's appointment by the new Government; and the latter, as not bringing clearly into view, although his allusion to their claims is noticed by the report, Sir Charles Metcalfe's anxiety to nominate his own Assistants, after overturning the Government's nomination. There is a further omission in this narrative of greater importance, namely, that of bringing into view prominently the very essence of the question at issue, Lieutenant-Colonel O'Brien's strong appeal to the Court, in the supplement to his Memorial, against the insinuations of Sir Charles Metcalfe, and his earnest entreaty that a rigid enquiry into them may be instituted, by which he declares "himself ready to stand or fall."

Having concluded its narrative, the report first notices the nomination of a First-Assistant to the Resident at Hyderabad by the Marquess of Hastings on the eve of his departure, and states "the regret" of the Committee that it should not have been waved by the Governor-General, "with reference to the state of "things at Hyderabad at that period, to the late discussions between his Lord-"ship and the Resident, and to the extreme difficulty which devolved on his "immediate successor, of retrieving the affairs of the Nizam, from the embar-"rassment into which they had fallen:" and the Committee thus lead the Court to pass this inferential censure on Lord Hastings, on the plea that the appointment of Lieutenant-Colonel O'Brien might have offered hindrance to the progress of Sir Charles Metcalfe's measures, some of which measures, it is to be observed, Lord Hastings, in his letter to Sir Charles Metcalfe of the 25th October, had declared to be in violation of his instructions, and of the principles laid down as rules of conduct towards the native Princes by the Authorities at Home.

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Home. This view of Sir Charles Metcalfe's conduct had, it is true, been dissented from by the other Members of Council; but the question has not yet been under the consideration of the Court, and it is therefore, in my humble opinion, not a little incongruous, for the court to urge as an objection to this legitimate exercise of Lord Hastings' prerogative, that it might have proved, or was apprehended to prove a hindrance to measures of doubtful expediency, on which the Court have not yet pronounced an opinion.

Whether the measures in question be finally judged by the Court or Home-Authorities to have been right or wrong in principle or execution, it appears from the declaration of Lord Hastings, and the asseveration of Lieutenant-Colonel O'Brien, " on the honour of a soldier and a gentleman," that the sentiments of his Lordship on those subjects had never, in the remotest degree, been matter of discourse between them: and consequently it may very fairly be argued, that the only apprehension which could be reasonably entertained from Lieutenant-Colonel O'Brien's appointment, was that an unprejudiced officer of high rank, judgment, and experience, might find a difficulty to lend himself entirely to co-operate in extreme measures of interference with the Nizam's Government, such as Sir Charles Metcalfe, with the co-operation of all his assistants, civil and military, and of all ages, had brought into action. And it may be further observed, respecting this appointment, that if so much evil was to be apprehended from it as is argued, it was the duty of the Members of Council who were under that impression to oppose and prevent it, or failing in that. to rescind it altogether, so soon as the change in the Government enabled them to do so: and however invidious such a proceeding might have been deemed, the Government would have far less compromised its dignity by that direct proceeding, than it has done by the adoption of the same measure, at the instance, and under the unexplained insinuations of Sir Charles Metcalfe.

The report proceeds to censure the Government for not " admonishing" Sir Charles Metcalfe on account of his protesting, if they considered it a protest, against a deliberate act of the Government; " but is disposed to put a more " favourable construction on Sir Charles Metcalfe's intentions, and to suppose " that the Government also judged more favourably, by acquitting him of any " design to do more than to submit, in strong terms, and on public grounds, his " objections to Lieutenant-Colonel O'Brien's appointment." This is highly indulgent; and with the same views, the Committee, it may be presumed, omit to censure Sir Charles Metcalfe for arrogating to himself the right he affects to disclaim, of nominating his own Assistants: and with respect to the imputations cast upon Lieutenant-Colonel O'Brien's character, nothing is said beyond the expression of " regret" that the Government did not call upon Sir Charles Metcalfe for " a frank and full disclosure," which would have afforded Lieutenant-Colonel O'Brien an opportunity to vindicate himself. The injury complained of by Lieutenant-Colonel O'Brien as affecting his character, by the inquiry into which he declares himself ready to stand or fall, is thus slurred over, by a simple expression of " regret," on the part of the Court, that the Government did not adopt the course Lieutenant-Colonel O'Brien has since called upon the Court itself to adopt; and no further notice is taken of this vital part of the question, beyond a gentle reprimand of Sir Charles Metcalfe, for the " tone and " tenor" of his letter to Mr. Swinton, which the report states, " with Sir Charles " Metcalfe's permission, had become an official document."

The report proceeds to lead the Court into an approval of the cancelment of Lieutenant Colonel O'Brien's appointment, on the plea of his "avowed reluctance" to enter the family of Sir Charles Metcalfe, and of the estrangement subsisting between them. But is this a fair statement of their relative position? Is it not due to Lieutenant-Colonel O'Brien to state what has caused this reluctance, and whence the estrangement has arisen? Has *he* been a party thereto, otherwise than as a suffering party? Abstractedly speaking, the Court may justly approve the resolution of Government not to bring together, into such close relation, persons known to be at variance; but there is a previous question, in this case, for the Court to enquire into, as the Government has neglected that part of its duty, namely, whence this variance has arisen; and being found obviously to have sprung from unprovoked insinuations of the Resident against the character of the officer appointed his First-Assistant by the Govern-

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ment itself, feeling as I do that the dignity of the Government has been deeply compromised by the toleration of such an arraignment of its own act by a subordinate functionary, I cannot but express my concern at this hasty, unnecessarily hasty, approval of the concealment of Lieutenant-Colonel O'Brien's appointment, without previous and rigid scrutiny into the insinuations which directly led to it.

Sir Charles Metcalfe, in his protest, states the impossibility of his affording Colonel O'Brien his confidence, or of his being employed as his Assistant with any benefit to the public service; and his repetition of that sentiment can bear no construction but what is unfavourable to Lieutenant-Colonel O'Brien's character. Sir Charles Metcalfe is, therefore, in possession of facts to justify his insinuations, or he has treated Lieutenant-Colonel O'Brien most unworthily. He concludes by acknowledging him to be a "pleasant companion," which, in the agitation of a question of his fitness for a responsible office, was almost adding insult to injury: and I grieve to see the records of the Bengal Government disgraced and degraded, by the admission upon them of unexplained insinuations in such terms, levelled against an unoffending officer of high rank and distinguished character. All that the Court is pleased to say by its adoption of the report, on this part of the subject, is to express "regret," as I have before stated, that explanation was not asked for by the Government. But when an officer, such as I have described, feeling himself injured by unprovoked imputations, pleads for the rescue of his character by due inquiry, by the result of which he declares himself ready to stand or fall, it is, in my opinion, the sacred duty of the Court of Directors so to protect the Company's service; and the very expression of "regret" that the Government adopted no steps towards the attainment of that just and necessary result, clearly established, that the investigation was and is due to the party aggrieved, and being so earnestly called for should now be enjoined by the highest authority, as a measure of indispensable justice and necessity.

The report next proceeds to censure Sir Charles Metcalfe for his indecent imputations against Lord Hastings; but with great dexterity, in the way of extenuation, concludes its brief observations on the blameableness of Sir Charles Metcalfe's conduct, which it terms reprehensible, by stating that "it is not the "less so," because Lord Hastings has also been betrayed into personality, in his letter to Lieutenant-Colonel O'Brien on the subject of his removal in consequence of Sir Charles Metcalfe's protest. Now I would fain ask, what necessity there can be for asserting the *truism*, that Sir Charles Metcalfe's offence "is "not the less" reprehensible on account of a personal remark of Lord Hastings in relation to other persons, in another hemisphere and after the expiration of a period of more than six months? Such incongruity of argument is unaccountable, unless it be admitted to be what I consider it, namely, a masterpiece of rhetorical contrivance; inasmuch as Sir Charles Metcalfe's transgression and Lord Hastings' error, which are in fact so wide asunder, both in time and place, as in no possible degree to be in parallel, are thereby brought into juxtaposition before the Court, in order to effect that very extenuation of Sir Charles Metcalfe's error which the text affects to disclaim.

I beg leave here to state, that I am very far from considering that the door should be shut against a respectable remonstrance on the part of a superior officer, in the event of the nomination by the Government of an Assistant to afford him aid in his labours, whose character and talents he may consider unfit for the situation. But if his objections be strong enough to impel him to state that objections exist, they should be stated fairly, openly, and explicitly, so as to be susceptible of strict investigation, whereby the charge may be substantiated or refuted: and, in my humble opinion, a superior officer would be wanting in duty to the Government and to himself, if with such impressions on his mind, he should refrain from bringing them respectfully to the notice of the Government. But Sir Charles Metcalfe's insinuations are of a far different character, and betray an exacerbation of mind highly unbecoming and insubordinate; and the Government of Bengal should, in my opinion, be censured equally, for not visiting such conduct with marked reprehension, as he (Sir Charles) should be for having presumed so to offend.

The

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The report goes on to state the Committee's opinion, that Lieutenant-Colonel O'Brien might have prevented Sir Charles Metcalfe's letter from becoming a public document, by adopting the Governor-General's suggestions that he should voluntarily resign his appointment and proceed to England on sick certificate. And I grieve much to think, that this opinion, originating in what I must deem the partial views of the Bengal Government, should have been in any degree entertained by a majority of the Court, as sound, or consistent with the feelings of a soldier or a gentleman, to which such a compromise of character stands, in my opinion, distinctly opposed; and the Court allow, and satisfactorily, that his reasons for not doing so have great weight. Fortunately for Lieutenant Colonel O'Brien's fame, his better judgment prevailed over the irritation of his feelings, and led him to avoid this proceeding, and demand a copy of his *indictment*. This the Government thought proper to withhold, while they proceeded to inflict the punishment of removal from office upon him, without inquiry and upon ex-parte insinuations. Lieutenant-Colonel O'Brien having thus declined to vacate his appointment without due cause, in opposition to the suggestion of Mr. Adam, will now be informed of the Court's opinion on this part of the subject; and I feel the deepest concern in anticipating the effect of the Court's resolution to blink this question, and of their opinion, however qualified, that he also might have blinked it, on the feelings of a meritorious officer, who had appealed to them as the legitimate tribunal for the redress of unprovoked injury.

I cannot but notice with regret the severity of reproof with which Lieutenant-Colonel O'Brien's error, in entering a formal protest against the act of the Government under which he serves, is visited by the report. It is true, this severity is in some degree softened, on account of the peculiarity of his case; but the declaration with which this paragraph closes, namely, that such an act is "under any circumstances indefensible," seems, in my humble opinion, wholly untenable. As the matter now stands before us, Lieutenant-Colonel O'Brien appears in the character of the only sufferer: and his error, in giving to his remonstrance the character of a protest, is one of phraseology, or of form rather than of fact or substance; for I am yet to learn, that it can be deemed "indefensible" to remonstrate or even to protest (if that word must be brought into play) against injustice, be the quarter whence it has proceeded what it may, high or low.

The report concludes in unison with the Bengal Government, by stating that Lieutenant-Colonel O'Brien "is entitled to a declaration on the part of the "Court, that he has not suffered in any degree in their opinion from Sir Charles "Metcalfe's letter to Mr. Swinton, and that his character and services stand "high in their estimation." But can the Court have to learn, that in cases of this nature, where character is at stake, imputations cannot be thus slurred over, but must be met and rebutted, or remain a perpetual stigma? The Court is a high Authority, but cannot change the essential nature of things, or induce, by declaring its own satisfaction without inquiry, equal satisfaction in the mind of an aspersed individual, injured moreover in his prospects in life by the aspersion. And the Court, if they shall thus state their opinion, will go beyond what they can distinctly maintain, inasmuch as the Bengal Government have placed on their records imputations against Lieutenant-Colonel O'Brien, deeming him unfit for, or unworthy of confidence, which insinuations, though unexplained, and consequently unproved, remain, and must remain unrefuted, until they shall be brought forward distinctly and avowedly. If, on the other hand, as was advocated by other Members of the Court of the first ability as well as by myself, Sir Charles Metcalfe were called upon for explanation, it is not impossible that he may so explain the nature of his objections to Lieutenant-Colonel O'Brien as his Assistant, as to remove in a great degree their personality, and relieve his mind from the distress occasioned by unexplained imputations: and if what Sir Charles Metcalfe may advance shall appear to the Court of sufficient importance to have warranted his interference, that officer may be absolved from error on that score, though still liable to reproof for the personality of his remarks as far as they regard Lieutenant-Colonel O'Brien, and to severe censure for the indecency of his allusion to Lord Hastings' supposed motives in bringing forward Lieutenant-Colonel O'Brien for the appointment.

I have

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I have endeavoured to explain my reasons for thinking that the Court have erred in their adoption of the Committee's report; and I hope the manner in which I have treated the subject may not be deemed in any degree disrespectful. It is my firm opinion, that by its adoption, the Court have not shewn due regard to their own dignity, or to that of the Bengal Government, and have moreover slighted the just claim to their protection of an officer of rank and merit: all of which evils might be obviated by a reference to Bengal, for explanation from Sir Charles Metcalfe. I shall still indulge a hope, that the paragraphs, when brought forward, may differ widely from their prototype; and that, by the adoption of a course similar to that I have ventured to recommend, means may yet be afforded for a speedy adjustment of this matter, to the satisfaction of the *whole* Court, with the attainment of justice by all the parties concerned.

I have, &c.

London, 29th October 1823.

(Signed) J. PATTISON.

Political Letter to Bengal, 19 Nov. 1823.

POLITICAL LETTER *to* BENGAL,
Dated 19th November 1823.

1. Our last letter to you in this department was dated the 5th instant.

2. In paragraphs 6 to 9 of your letter in this department, dated the 7th of March last, you have drawn our attention to the appointment by the late Governor-General in Council of Lieutenant-Colonel O'Brien to the office of First Assistant to the Resident at Hyderabad, and to his subsequent removal therefrom by the present Government. Soon after the arrival of Lieutenant-Colonel O'Brien in this country, he submitted to us a Memorial, accompanied with certain documents (copies of which are herewith transmitted), complaining of the hardship of this proceeding, on which we are now about to communicate to you our sentiments.

3. Although the late Governor-Governor in Council had an undoubted right to supply all vacant offices before his Lordship resigned the Government, yet it is to be regretted, with reference to the state of things at Hyderabad at that period, to the late discussions which had taken place between his Lordship and the Resident, and to the extreme difficulty of the task which devolved on his successor in the Government, of retrieving the affairs of the Nizam from the enbarrassments into which they had fallen, that his Lordship had not waved the exercise of his right, and left to others the nomination of a First Assistant to the Resident.

4. With respect to the representation conveyed in Sir Charles Metcalfe's Letter to Mr. Swinton, of the 18th of January 1823, against the appointment of Lieutenant-Colonel O'Brien, which representation has been termed a *protest*, both in Sir Charles Metcalfe's letter to Lieutenant-Colonel O'Brien of the 21st of January, and in your despatch to us of the 7th March, we think it incumbent on us to observe, that no subordinate functionary can be justified in protesting, in the technical sense of the word, against any act of the Government under which he is placed; and that if you so understood Sir Charles Metcalfe's letter to Mr. Swinton, you failed in your duty, in not admonishing Sir Charles Metcalfe on account of such a breach of official subordination. We are disposed, however, to put a more favourable construction on Sir Charles Metcalfe's intentions, and to suppose that you also judged more favourably of them, by acquitting him of any design to do more than to submit in strong terms, and on public grounds, objections to Lieutenant-Colonel O'Brien's appointment.

5. But we can by no means approve of the tone and the tenor of Sir Charles Metcalfe's letter to Mr. Swinton, which, with Sir Charles Metcalfe's permission, has become an official document.

6. We consider you to have been justified, under the circumstances of the case, in cancelling an appointment, from which no benefit to the public interests could reasonably be expected; but we regret that you did not call on

Sir

Sir Charles Metcalfe for a frank and full disclosure of the grounds of his objections to the appointment of Lieutenant-Colonel O'Brien, in order that that officer might have had an opportunity of obviating and repelling them, to which he was in justice entitled.

Bengal Political Letter, 19 Nov. 1823.

7. The imputation cast on the Marquess of Hastings in the letter from Sir Charles Metcalfe to Lieutenant-Colonel O'Brien, namely, that Lieutenant-Colonel O'Brien's appointment was "a parting token of Lord Hastings' resentment, done purposely for his (Sir Charles Metcalfe's) annoyance," is highly reprehensible; for although professedly a private communication, Sir Charles Metcalfe could scarcely have expected that the letter in question would not, in some shape, come under the notice of his Government. We also feel it proper to remark, that we consider this observation, and that of the Marquess of Hastings, in a letter to Lieutenant-Colonel O'Brien, dated from Camden Hill the 21st July 1823, where he ascribes the cancelling of the appointment in question to "private partiality to the Resident," to be equally unsupported by the facts of the case.

8. It was, doubtless, in the power of Lieutenant-Colonel O'Brien, to have prevented Sir Charles Metcalfe's letter to Mr. Swinton of the 18th January from becoming a public document, by finally adopting Mr. Adam's suggestion (in which he at one time acquiesced), of making a voluntary tender of his resignation: but it must, nevertheless, be admitted, that the considerations which led him to decline acting on that suggestion had great weight; and we think Lieutenant-Colonel O'Brien entitled to a declaration from us, that he has not suffered in any degree in our opinion from Sir Charles Metcalfe's letter to Mr. Swinton of the 18th of January, and that his character and services stand high in our estimation.

9. We cannot, however, overlook the irregularity committed by Lieutenant-Colonel O'Brien, in transmitting to India, from the Cape of Good Hope, a formal protest against the act of your Government cancelling his appointment. We are willing to make every allowance for the feelings of Lieutenant-Colonel O'Brien, under circumstances calculated, unquestionably, to try them; but such a proceeding, under any circumstances, we are bound to pronounce wholly indefensible.

We are, &c.

London, 19th November 1823.

(Signed) W. WIGRAM, W. ASTELL, &c. &c. &c.

LETTER *from* MR. SECRETARY DART *to* LIEUTENANT-COLONEL O'BRIEN, C.B.

Letter from Mr. Secretary Dart.

To Lieutenant-Colonel Lucius O'Brien, C.B., &c. &c. &c.

Sir:

Your Memorial of the 16th September last, accompanied by an Appendix, on the subject of your appointment by the late Governor-General in Council of Bengal to the office of First Assistant to the Resident at Hyderabad, and your removal therefrom by the succeeding Government, has been laid before the Court of Directors of the East-India Company, and they command me to make the following communication to you in reply.

I am directed to convey to you an assurance, on the part of the Court, that you have not suffered in any degree in their opinion, from Sir Charles Metcalfe's letter to Mr. Swinton of the 18th January last, and that your character and services stand high in their estimation.

The Court, however, I am to add, cannot overlook the irregularity committed by you, in transmitting to India from the Cape of Good Hope a formal protest against the act of the Bengal Government cancelling your appointment. The Court are willing to make every allowance for your feelings, under circumstances calculated unquestionably to try them; but such a proceeding, under any circumstances, they are bound to pronounce wholly indefensible.

I have further to state, that the sentiments expressed in this letter have been communicated to the Bengal Government.

I am, &c.

East-India House, 26th November 1823.

(Signed) J. DART, Secretary.

* Bengal Political Letter, 31 Mar. 1823.

POLITICAL LETTER *from* BENGAL,
Dated 31st March 1823.

1. Having, since the despatch of our late address to your Honourable Court under date the 7th instant, received a report from the Resident at Hyderabad, in reply to the instructions of the 15th January last, relative to a presumed connexion between the house of William Palmer and Co. and individuals officially attached to the Residency, we deem it necessary, without loss of time, to submit a copy of that document* for the information of your Honourable Court, as essentially requisite towards forming a judgment on the facts and circumstances already brought to your notice.

2. We have the honour, at the same time, to submit copies of our instructions to the Resident in reply, and of the letter which has been addressed to Mr. Sotheby,† the only individual now in India of those reported by Sir Charles Metcalfe to have been connected with the house of William Palmer and Co.

3. We also transmit, in continuation of the series of despatches from the Resident at Hyderabad, already submitted with our letter of the 7th instant, copies of some despatches since received from Sir Charles Metcalfe, and of our instructions in reply, under date the 21st and 29th instant.

We have, &c.

Fort-William,
31st March 1823.

(Signed) J. ADAM,
EDW. PAGET,
JOHN FENDALL,
J. H. HARINGTON.

(Enclosure No. 1.)

Letter from Resident at Hyderabad.

To G. Swinton, Esq., Secretary to Government.

Sir:

1. I am about to enter on the painful task enjoined by the twentieth and twenty-first paragraphs of your second despatch of the 15th January, and to report all the information that I possess, respecting the connexion of public functionaries of this Residency with the firm of William Palmer and Co. of Hyderabad.

2. I previously beg permission to express the deep regret which I feel at having this distressing duty imposed on me. I neither presume to question the expediency of the call which the Honourable the Governor-General in Council has deemed necessary, nor do I claim any merit for an obedience which, when consistent with honour, I consider indispensable in servitude; but I lament that a course was not adopted at an earlier period, which might have saved me from this unpleasant exposition, and I execrate more than ever those proceedings of Messrs. William Palmer and Co. which have forced matters to this extremity.

3. When my eyes were first opened to the nature of the connexion between the Nizam's Minister and William Palmer and Co., and to the causes and combinations which had raised the influence of that firm to so high a pitch, and had sacrificed the interests of the Nizam's Government and people to the cupidity of individuals, it became my earnest wish, that the evil should be remedied for the future, without unnecessarily dragging into light the errors and misdeeds of the past, and that the interests of the Nizam should be secured, and the reputation of the British Government vindicated, without retrospective inculpation or exposure.

4. Such were the views which dictated the proposition submitted by me in April 1821, regarding the debt of the Nizam's Government to William Palmer and Co. If that proposition had met with favourable attention, I am disposed to think that my present disheartening occupation would never have become necessary, and the advantage to the Nizam's Government would by this time have been immense. But the total neglect with which that proposition was treated (it was never noticed till June 1822, and then only incidentally), gave boldness

* Enclosure No. 1. † Enclosure Nos. 2 and 3.

boldness to Messrs. William Palmer and Co., destroyed my influence with the Nizam's Government, strengthened the vicious league between Chundoo Loll and that firm, and caused that daring counteraction of the measures of the British Representative, which has led to so many disclosures, and finally brought on me the commands which I now proceed, submissively but reluctantly, to obey. Reluctantly, because the exposure now to be made involves persons who have had no concern in recent transactions, who are not present to rectify any possible misconception on my part, whose characters stand high in public estimation, whose services have obtained the recorded applause of Government, and whose reputation to be compelled to slur is peculiarly grievous on me, from considerations of friendly acquaintance, and even of family connexion, hallowed by recent affliction.

5. When Mr. William Palmer first commenced those money transactions which have since been carried on by the firm of William Palmer and Co., it was, as I understand, ostensibly in concert with a native of India, named Bunketty Dos, and an English gentleman of the name of Russell.

6. This Mr. Russell was in the Resident's family; but though of the same name was not related to the Resident. He was, or had been, in the Madras Engineers, had been employed under the Nizam's Government in building the Residency and other public works, and had amassed considerable wealth from those employments.

7. The business of that partnership was conducted in a house occupied by that Mr. Russell, which was situated in the grounds within the Residency gateway, and close adjoining to the main edifice of the Residency. The same house has since continued to be a part of the Residency, and at present affords accommodation to one of my Assistants.

8. From the situation of the building in which the concerns of that partnership were conducted, it is evident that it must have enjoyed the Resident's support and patronage. It is also understood, and there is, I fear, no doubt of the fact, that Mr. Russell, the Resident, was further connected with it, and derived profit from its transactions. Whether he shared profit and risk with the others as a partner, or received an extraordinary interest for money deposited in their hands, I am not able positively to state. It is possible that his connexion with them may not have gone beyond having his money with them at an ordinary rate of interest, and some of his most intimate friends seem to entertain this persuasion: but from all that I have heard on the subject, the impression on my mind amounts to a conviction, that he must have derived extraordinary profit from their transactions, and that his connexion with them was such as gave them a hold on him ever afterwards. There is, nevertheless, a possibility that I may be mistaken in this conclusion, which it is the more necessary to notice, as Mr. Russell is not present to offer any explanation.

9. It would have been a great comfort to me, if I had possessed the means of bringing this matter to a decisive proof, as, in the event of a discovery of error in my information, the mention of Mr. Russell's name might have been unnecessary: but wanting these, I consider myself bound to state the impression on my mind; for the connexion of Mr. Russell with the concern set up by Mr. William Palmer appears to me to be one of the most important features of its history, especially with reference to attendant effects and consequences.

10. The connexion between the Resident and William Palmer and Co. did not last. Mr. Russell withdrew from it, but at what precise period I know not: it is understood, however, to have been long before either the pretended sixty-lac loan or the Aurungabad contract. In recommending those arrangements, therefore, Mr. Russell is not to be considered as having been induced by any prospect of personal profit; which I only think it necessary to observe, for the purpose of preventing any conception of its being my meaning to imply otherwise. In saying that Mr. Russell withdrew from the connexion, I mean that intimate connexion which I suppose to have existed. He had money in their hands, I believe, to a later period, at their ordinary interest of twelve per cent., in common with numerous European constituents.

11. It

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11. It may be inferred, that when Mr. Russell withdrew from his intimate connexion with Messrs. William Palmer and Co., he had become sensible of the mischief with which it was fraught: but the mischief was done, and it was too late to prevent it. They understood the value, and did not scruple to take advantage of his prior engagement with them. It is easy to perceive, that he could never extricate himself from his entanglement with their establishment, and was dragged on by its operations, until he finally retired from the Residency. His fine talents were enslaved, and his good qualities were confounded by that connexion.

12. At some period of the progress of that concern, perhaps when the Resident withdrew from it, the place of business was removed from the building within the Residency walls to a short distance beyond the Residency gateway. This removal was against the inclination of Messrs. William Palmer and Co., and was complained of by them as an injury inflicted by Mr. Russell. The only reason for this complaint was, that this removal made their connexion with the Residency seem less close and intimate than it had appeared before, when, from the position of their office, the one and the other might be supposed to be identified.

13. Captain Charles Russell, the First Assistant to the Resident, was also concerned with Messrs. William Palmer and Co. I cannot accurately state the precise footing of his connexion with them; but I have understood that he received twenty-four or twenty-five per cent. for money deposited in their hands.

14. Mr. Hans Sotheby, the late First Assistant, was likewise concerned with Messrs. William Palmer and Co. He was undoubtedly a partner in that house. I know not when his partnership commenced: but it lasted until after Mr. Currie had retired from the firm; for the deed of release which Mr. Currie received from his copartners on quitting the concern, was signed by Mr. Sotheby, along with Mr. William Palmer, Sir William Rumbold, Mr. George Rumbold, and the other partners of that time. Mr. Sotheby probably quitted the concern shortly before the negociation of the pretended sixty-lac loan; but on that point I cannot speak positively. It is understood, that he received a handsome gratuity or compensation on his retirement.

15. When it is considered that the Resident, Mr. Russell, his First Assistant Captain Charles Russell, another First Assistant Mr. Sotheby, and the Residency Surgeon Mr. Currie, were all connected with Messrs. William Palmer and Co., and two of them decidedly as partners, whatever may have been the relation of the others, the real character of the affidavit sworn to by Sir William Rumbold and Mr. William Palmer will be made manifest; and it is a singular concomitant of that production, that it should have been attested by one of their ex-partners, as sworn before him in his official capacity at the Residency.

16. When Messrs. William Palmer and Co. pretend that they have not derived influence and support from their connexion with the Residency, they are guilty of gross misrepresentation. It was by and with a connexion with the Residency; it was in the very grounds of the Residency that their establishment commenced. They were supported by the effects of this connexion, till such support was no longer necessary. They clung to the connexion with anxiety, as is shewn by their having two members of the Residency partners in the house to a very late period, until from inquiries and suspicions set afloat, it was no longer practicable to continue that union.

17. The junction of Sir William Rumbold was attended with an acquisition of influence to the house of a still higher importance. Known to be patronized by his Excellency the late Governor-General, and supposed, by common rumour among the natives, to be related to his Lordship either as nephew or son-in-law, Sir William Rumbold brought a vast accession of that species of supposed power which cannot fail to have weight at a corrupt Native Court, and more especially with a Minister like Chundoo Loll, whose whole policy consists in searching out advocates for his own support.

18. The junction of Sir William Rumbold gave to the house a local influence, in some measure above that of the Resident: but nevertheless, the support of the

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the Resident was convenient, if not necessary, for the accomplishment of certain measures, for which the sanction of the Supreme British Government was required. That support was obtained during the Residency of my predecessor. It remained for me to be exposed in the discharge of my duty, first to their secret counteraction, and finally to an open contest with their acquired influence. They would have made a tool of the Resident if they could: and on that condition, I might perhaps have enjoyed their favour and patronage, but failing in that design, they thought themselves strong enough to overpower him.

19. Such has been their career. What its effects have been on the Nizam's affairs it is not now necessary to repeat.

20. I am directed by your letter to substantiate the facts which I may report by the testimony of other individuals. As far as exposing myself to all the odium which must infallibly attend these disclosures, I have considered myself bound in duty to obey the commands of Government: but the information which I have obtained from other individuals has been communicated by them sometimes in the carelessness, sometimes in the confidence of private intercourse, but never with any expectation, on their part or mine, that this public exposure would become necessary. I do not think myself warranted to drag them forward, and involve them in the same consequences with myself.

21. The proof, therefore, of what I have advanced respecting Mr. Resident Russell and Captain Charles Russell, must rest with Messrs. William Palmer and Co. and their books; though, of course, I should not advance it without a strong belief of its truth. The partnership of Mr. Engineer Russell and Mr. Surgeon Currie is avowed, and does not need any further testimony. That of Mr. First Assistant Sotheby could not, I conceive, be denied, either by that gentleman himself or by Messrs. William Palmer and Co.; but if it should be denied, the fact of his having signed, as one of the partners, the deed of release to Mr. William Currie, can, I believe, be substantiated by proof.

22. Mr. Lamb, one of the actual partners of the present firm, was for some time acting Surgeon to the Residency, and then also a partner with the firm; but his connection with the Residency was only temporary, and his partnership in the firm open and avowed, I have not therefore dwelt on his case.

23. I am not aware, and do not suppose, that any gentleman attached to the present Residency either is or has been a partner in the house of William Palmer, and Co., or has derived any extraordinary benefit from the connection. The numerous European constituents of the house generally receive twelve per cent. interest for their money, and gentlemen attached to the present Residency have both received and paid this, as the ordinary interest in account-current, considering these dealings to be as unobjectionable as ordinary dealings with any other house of agency. Under the same notion, I have never thought it incumbent on me to object to them.

24. Having discharged the disagreeable duty imposed on me, I trust that the following observations will be received with indulgence.

25. I suppose Mr. Henry Russell to have been induced to connect himself with Messrs. William Palmer and Co. solely by the temptation of realizing a fortune more rapidly than by ordinary means, without any intention of supporting that house in any improper transactions. I am compelled to attribute a great part of the mischief which has since happened to that original connection; but I imagine that it was not foreseen by Mr. Russell, and that if he could have foreseen it, he would never have formed the connection. With respect to the latter arrangements, which had Mr. Russell's recommendation and support, I conceive him to have been totally free from any pecuniary interest in those transactions; and although I think it probable that, without the previous connection, those arrangements might not have obtained his recommendation, it is still very possible that he may have inclined to think them advantageous for the Nizam's Government. There is no proof that he had any knowledge of the bonus, the most objectionable part of the pretended sixty-lac loan; and he may have considered the reduction of interest, even to eighteen per cent., as a considerable benefit. With respect to the Aurungabad contract, he may have

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deemed the regular payment of the troops more than equivalent for the sacrifices made in that arrangement. He may have been deceived both by the Minister and by the house, and may have overlooked the fact, that the contract did not secure the regular payment of the troops, in the event of delay in the payment of the Government, and was therefore nugatory as to any benefit to the Government, and nearly so as to the payment of the troops.

26. I am bound to acknowledge, that since the termination of that contract, the troops have been ill paid, and in some instances reduced to great distress, of which I have only lately received intelligence. Yet this I attribute to culpable neglect, if not to a conspiring design on the part of the Minister, and not to any necessity: and I am also satisfied, that with similar neglect or counteraction, the troops would not have been more regularly paid under the continuance of the contract; for before its termination, Messrs. William Palmer and Co. twice stopped payment, in consequence of a temporary delay on the part of the Government.

27. I trust that it will not be forgotten, that Mr. Russell has rendered eminent services at the Nizam's Court; that he confirmed our political influence, so as that it stood the test of a most trying crisis; and that when the two great neighbouring States fell off from their alliance, and became our enemies, the resources of the Nizam's country supplied our armies, and the troops of this state co-operated actively and efficiently with our own, in various important services during the war. These effects may justly be ascribed to Mr. Russell's management, as far as individual agents are ever entitled to such credit; for the disposition to throw off our yoke was supposed to exist here as well as elsewhere, and the Indian world could scarcely believe that the Nizam was not to form a part of the coalition against us.

28. Captain Charles Russell's connection with William Palmer and Co. was doubtless of less consequence than his brother the Resident's; but it lasted longer, and did not cease till his return to Europe. It tended to maintain the ties between the Residency and that concern, and must have had its share in keeping up their influence. I suppose him to have been persuaded, that while his fortune was rapidly increasing, no harm was done by the connection.

29. Mr. Sotheby probably entertained a similar persuasion; and it may be said in extenuation of his error, that he was never employed elsewhere on the public service, and that on his arrival here he found the Residency and the firm so linked together, that his falling into a similar connection is scarcely surprizing. It is impossible to say what any young man might not do under similar circumstances.

30. I shall not be suspected, I hope, of attempting to justify such proceedings. I am aware that the receipt of illegal interest is liable to penalties, and that nothing can warrant the violation of the established principles of the Honourable Company's service; but human nature is weak, and where there is the temptation of a rapid fortune in sight, without any visible harm to blacken the prospect, we are apt to persuade ourselves that yielding to it is at the worst a venial irregularity.

I have, &c.

Hyderabad Residency, Camp, Kokra, 8th March, 1823. (Signed) C. T. METCALFE, Resident.

(Enclosure No. 2.)

Letter from Secretary to Government.

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Sir:

1. Your despatch of the 8th instant having been submitted to the Honourable the Governor-General in Council, I am now directed to communicate to you the following observations and instructions.

2. The tenor of your former remarks on the subject of the affidavit, the vague and unsatisfactory reply of Mr. William Palmer, declining to specify the individuals alluded to in that document, and the silence of the other members of the

the firm, had all conspired to impress the Governor-General in Council with the belief, that one or more individuals officially attached to the late Residency at Hyderabad had been concerned with Messrs. William Palmer and Co. in their pecuniary dealings with the Government of the Nizam.

3. The exposure, therefore, of the disgraceful transactions which your despatch above acknowledged has now brought to light, has excited in the mind of the Governor-General in Council less surprise than disgust and indignation, at the conduct of all the parties concerned.

4. The facts and circumstances contained in your letter, though not substantiated by legal proof, of which indeed the greater part may not be capable, are, in the conception of the Governor-General in Council, such as to warrant a strong presumption of the gross deception which has been attempted to be practised on Government, regarding the object of the affidavit, and of the existence, at one time or another, of a connection, more or less intimate, between the house of William Palmer and Co. and the several individuals of the late Residency, and the participation of the latter in the profits of that concern. Under this impression, the Governor-General in Council would be guilty of a dereliction of his public duty, if he hesitated to withhold the expression of his marked reprobation of proceedings disgraceful to all who have been implicated in them, and aggravated in the extreme, in the case of a public functionary, like Mr. Russell, holding the high and confidential situation of Representative of the British Government at the Court of a foreign Prince.

5. It is not considered necessary, however, to pursue this subject further with regard to the late Resident, or the other individuals named in your letter, who are now in England, and of course beyond the power of this Government, to call them to account for their presumed delinquency.

6. With respect to Mr. Sotheby, the Governor-General in Council refrains from passing any resolution on his case, until he has had an opportunity of being heard in his defence. A copy of the letter which has been addressed to him is enclosed for your information. The only point on which further proof appears to be forthcoming of his having been a partner in the house, is that of his having signed the deed of release on Dr. Currie's retiring from the firm. You have not stated whether that document is procurable, or whether the witnesses to it are known to you, and ready, if legally called on, to depose to the fact. You will be pleased to report on these points for the information of the Governor-General in Council.

7. The Governor-General in Council will also await Mr. Sotheby's answer, before coming to any final determination as to the measures to be adopted towards the house of William Palmer and Co., who if the facts now before Government are not satisfactorily cleared up by Mr. Sotheby, must be justly deemed to have forfeited all claim to the countenance and consideration of the British Government. It will become a question, indeed, whether they should be permitted to remain at Hyderabad; more especially the English partners, one of whom, in particular, appears to have been deeply implicated in all the late transactions which have been the subject of so much inquiry, and whose influence over the Minister has been attended with the most pernicious effects. As Messrs. William Palmer and Co., however, are now relieved from the pretended difficulty of giving up the names of the individuals alluded to in the affidavit of Mr. William Palmer and Sir William Rumbold, it is deemed proper that they should have an opportunity of distinctly disavowing the fact, that the parties named by you have been so connected with them. For this purpose, you will be pleased to address a separate letter to each partner of the firm, with a set of questions similar to those proposed to Mr. Sotheby, calling on them individually to return an explicit answer to each, as far as the facts may be consistent with their knowledge or belief.

8. I am directed to remark, that no answer has yet been returned to the questions you were instructed by my letter of the 15th of January to put to the several members of the house, except by Mr. William Palmer. The instructions contained in the preceding paragraph, however, will supersede the necessity of repeating the call.

9. You

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9. You will be pleased to report on the points adverted to in the thirteenth paragraph of the instructions of the above date at your earliest convenience.

I have, &c.

Fort-William, 29th March 1823.

(Signed) G. SWINTON, Secretary to the Government.

(Enclosure No. 3.)

Letter from Secretary to Government.

To Hans Sotheby, Esq., agent to the Governor-General, Moorshedabad.

Sir:

1. The Governor-General in Council is in possession of an affidavit taken before you by Mr. William Palmer and Sir William Rumbold at Hyderabad, on the 26th day of June 1821.

2. Circumstances having led the Government to doubt the accuracy of that affidavit, the Resident at Hyderabad was instructed to call on the several members of the firm of William Palmer and Co., to declare whether any persons, now or heretofore officially attached to the Residency, were at any time, directly or indirectly, partners of that firm, or participated in any manner in the profits of the same, derived either from loans or advances to the Nizam's Government or otherwise.

3. The tenor of Mr. William Palmer's reply having strengthened the suspicion previously excited by the terms of the affidavit and other circumstances, it became the duty of the Governor-General in Council to institute an inquiry into the fact of any servant of the Honourable Company, attached to the Residency at Hyderabad, having been concerned, directly or indirectly, in partnership with the house of William Palmer and Co., or in pecuniary dealings with the Nizam's Government.

4. The result of that inquiry affords strong ground of presumption, that besides Mr. Currie, late surgeon to the Residency, whose partnership is admitted, the late Resident, Mr. Henry Russell, his brother, Captain Charles Russell, the late First Assistant, Mr. Russell, formerly in the Engineers on the Establishment of Fort St. George, and yourself, have been more or less connected with Messrs. William Palmer and Co., or with one or more of that firm, whether previous to the assumption of its present designation or subsequent to it. I am directed to inform you, therefore, that the Governor-General in Council is pleased to afford you an opportunity of clearing yourself from that imputation, and of stating any information in your power respecting the other individuals above named, by requiring from you separate and distinct answers on each of the following points:

1st. Have you, at any period of time, been directly or indirectly connected in business with the house of William Palmer and Co. at Hyderabad, or with any one of the members of that house, before or after their assumption of their present designation; and in consequence of that connection or otherwise, have you, directly or indirectly, been engaged in pecuniary dealings with the Government of his Highness the Nizam?

2d. Was such connection, if it existed, avowed or secret?

3d. State the date on which you may have become connected with the house, or with any of its members, since the first establishment of Mr. William Palmer and Bunketty Doss in business at Hyderabad, and the date on which you may have withdrawn from such connection.

4th. Have you derived more than twelve per cent. for any money lodged with the house of William Palmer and Co. since the period when you may have retired from the partnership?

5th. Did you receive any payment, as a gratuity or compensation from the house on your retiring from the partnership, or on any other account?

6th. Did you, as a partner of the house, sign a deed of release to Dr. Currie, on his retiring from the firm? And did this act, on your part, take place before or after the voluntary affidavit by Mr. William Palmer and

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and Sir William Rumbold was taken before you, in your capacity of Assistant in charge of the Residency?

7th. Did you, at the time of attesting that affidavit or afterwards, communicate the circumstance to the Resident; and if not, what was your reason for not reporting to the Resident an act performed by you in your official capacity during his absence?

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8th. Supposing you to have been at any time engaged with any of the members of the house in pecuniary transactions with the Government of his Highness, or to have known or believed that Mr. Henry Russell or Captain Charles Russell had been so engaged, how did you reconcile to yourself the attesting an affidavit, which you must have been aware was either essentially false, or calculated by its equivocal averments to impose on those who might not be aware of the real circumstances of the case?

9th. State whether to your knowledge, or the best of your belief, Mr. Henry Russell was at any time connected with the house of William Palmer and Co., or derived profit from any pecuniary dealings with that house, beyond the ordinary interest allowed to their constituents generally. State the period of his joining the house, and of his retiring from it, or of his deriving such extraordinary profits.

10th. Do you know or believe that Captain Charles Russell was similarly or otherwise connected with that house, or whether he derived from such connection any extraordinary profit beyond the interest allowed to other constituents? State the particulars.

11th. State the particulars of the connection of Mr. Russell, of the Madras Engineers, with the house.

12th. State the same of Dr. Currie's connection with the house.

5. In calling upon you for answers to the foregoing questions, I am directed explicitly to state, that you are not to consider yourself under an obligation to answer them, if you conceive that, by so doing, you will criminate yourself. You will exercise your own discretion, as to the expediency of making a full, free, and unreserved disclosure of the circumstances embraced by those questions, or of declining to answer all or any of them; taking the consequences, in the latter case, of the conclusion which the Governor-General in Council must necessarily then be compelled to draw from your refusal.

I have, &c.
(Signed) G. SWINTON,
Secretary to Government.

Fort-William,
29th March 1823.

(Enclosure No. 4.)

To G. Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

1. I have the honour to submit copies of correspondence with Messrs. William Palmer and Co.

2. The object of their letter of the 17th instant is evidently to delay, and if possible, evade the delivery of the accounts required.

3. It is unnecessary to follow them through their fictitious narrative of their transactions with the Nizam's Government, and I have thought it useless to enter into controversial discussion with them on that subject. When they talk of having come forward with their aid, and of having given up various profitable transactions, in short, of having sacrificed themselves for the benefit of the Nizam's Government, the pretension is too absurd to admit of serious argument, and would be exceedingly ludicrous, were it not that the injurious effects of this baneful connection to the Nizam's Government divest the question of all disposition to pleasantry, and convert ridicule into indignation.

4. When Messrs. Palmer and Co. represent their present situation as totally unprecedented in the commercial world, they put out of sight that their situation, from the beginning of their existence, has been totally unprecedented;

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Letter from Resident at Hyderabad.

that their influence, their improper gains, and the mischief done by them, are all unprecedented.

5. The last paragraph of my letter to them of the present date, was dictated by an apprehension, for which I see grounds, that they are preparing accounts to answer their own purposes and support their own representations. They say, " we hope to forward the Aurungabad accounts in a few days;" from which I anticipate, that these accounts will confirm the remark just made, and will not be true copies of actual accounts. It is not necessary that I should say more on this point till I see these accounts. I do not believe that it would have required so long a period as has already elapsed since the requisition was made to prepare copies of all their accounts with the Nizam's Government; and I therefore conceive, that their delay, if not ascribable solely to their hope of ultimately evading the demand, is occupied by attempts to prepare their accounts in a new-fangled manner, so as to obscure and conceal the most objectionable parts of their proceedings.

I have, &c.
Hyderabad Residency, Camp, Deottanna, 23d February 1823. (Signed) C. T. METCALFE, Resident.

Letter from Resident at Hyderabad.

To Messrs. William Palmer and Co.

Gentlemen:

Your objections to the production of the accounts called for by my letter of the 13th December being deemed entirely inadmissible, I am commanded by the Honourable the Governor-General in Council to intimate to you the expectation of Government, that no further demur will be made on your part to the production of all the accounts required, with such further information or explanation regarding any items of those accounts, as it may seem proper to demand; and also to apprize you distinctly, that your compliance with this requisition is an indispensable condition of the interference of the British Government for the adjustment of your claims against the Nizam, and of its countenance to your future commercial dealings in his Highness's territories.

I have, &c.
Hyderabad Residency, Camp, Kullum, 5th February 1823. (Signed) C. T. METCALFE, Resident.

Letter from Messrs. Wm. Palmer & Co.

To Sir Charles T. Metcalfe, Bart., Resident, &c. &c. &c. Camp.

Sir:

1. We have the honour to acknowledge the receipt of your letter of the 5th instant.

2. We deeply lament that the Honourable the Governor-General in Council has not been graciously pleased to dispense with the production of our detailed accounts; a measure which we consider as fraught with the most injurious consequences to our commercial interests.

3. We shall not presume to demur in yielding obedience to any measure which the Honourable the Governor-General in Council shall think fit to command; but we hope we may be allowed most humbly to represent the very painful situation in which we are placed, a situation, we believe, totally unprecedented in the commercial world.

4. During a period of great pressure inthe money-market, we entered into large pecuniary engagements with the Nizam's Government, at the earnest desire of the Minister, and with the concurrence of the Resident, to enable it to bring and to maintain in the field a large body of efficient horse, for co-operation with the British army in the late Pindarree and Mahratta wars. We were taught by the Resident, that our thus co-operating in a great public measure would give us consideration, both with the Nizam's and our own Government; and it was notorious that, without such assistance, the measure could not have been effected.

5. On the conclusion of the war, when our advances were to be repaid, according to stipulation by the Nizam's Government made with the knowledge of the British Resident, and the usual assignments on the revenue were preparing for this

Enclosures in Bengal Political Letter, 31 Mar. 1823.

this purpose, the British Government recommended measures for the general improvement of his Highness's country, which could only be carried into effect by extensive pecuniary assistance.

Letter from Messrs. Wm. Palmer & Co.

6. We again came forward with our aid; although in doing so, to the extent required, we were obliged to give up various profitable transactions, and in fact, to change the whole line of our commercial dealings.

7. In making up the sum necessary to carry the plans for a reform into effect, the assignments on the revenue for the liquidation of our advances to the Berar Suwars were given up, being, to all intents, the same as if we had made payments to an equal amount in cash, as the transfers were realizable to, and at the disposal of the Minister, and in the same proportion reduced our available assets for the conduct of our transactions for the year. It could make no difference to his Highness's Government, whether we paid to it a sum of twenty lacs in cash, or gave up that sum in its own assignments to us on the revenue.

8. The magnitude of the aid required, the re-payment of which was protracted to a distant period, rendered the sanction of the British Government necessary to remove hazard; for we could not venture to engage in so extensive a transaction, on the faith and security alone of a native Indian power. The arrangements for the re-payment of the loan were by annual assignments, to a certain amount, on the revenues of particular districts; and all the interference we sought from the British Resident was to prevent any misappropriation or reduction of these revenues, and that at any future period, under any change, our claim might be recognized. Beyond this, we have never looked for interference or support; and, in fact, we have never applied for either.

9. We hope it may not be deemed disrespectful in us to urge, for the liberal consideration of Government, that we feel the peculiar severity and hardship, of being called upon to exhibit accounts of twelve years standing (involving many transactions and many names), the accuracy of which has been already admitted in the fullest manner by the Minister's letter to us, which we had the honour to forward to you on the 7th December 1822.

10. We beg further to submit to you with much deference, that the necessity for any such exposure of our accredited accounts may have become extinct: for we consider your letter of 10th February to be, in effect, a suppression of our commercial dealings with the Ministers; and we humbly conceive, that Government can only have had a prospective purpose in the requisition, to regulate and control our future proceedings, which are, in fact, precluded by your prohibition of all intercourse with the Ministers.

11. We beg to be understood, that we yield an implicit and submissive obedience to the orders of Government, and that to this effect the accounts were put in train, on the first announcement of the commands of the Honourable the Governor-General in Council for their production, and that we have used every diligence in their preparation, which we shall continue. The accounts, however, are so voluminous, that a considerable time will elapse before they can be furnished.

12. We hope to forward the Aurungabad accounts in a few days.

We have, &c.

Hyderabad, 17th February 1823.

(Signed) W. PALMER AND CO.

Letter from Resident at Hyderabad.

To Messrs. William Palmer and Co.

Gentlemen:

1. I have had the honour of receiving your letter of the 17th instant.

2. Its contents shall be submitted to the notice of the Honourable the Governor-General in Council; but your objections to the production of the detailed accounts of your transactions with the Nizam's Government having been already fully stated and overruled, I cannot anticipate any different result from a further reference. I trust, therefore, that you do not propose to delay the furnishing of the accounts, from any expectation of a change in the sentiments of Government.

3. The

Enclosures in Bengal Political Letter, 31 Mar. 1823.

3. The Honourable the Governor-General in Council considers that you are bound to communicate to the British Resident every particular regarding your dealings with the Nizam's Government.

Letter from Resident at Hyderabad.

4. You appear to me to misunderstand the intentions of the Supreme Government, in supposing that in its order for the production of your accounts, it has solely in view the regulation and control of your future proceedings. The Honourable the Governor-General in Council, previously to exercising his interference for the adjustment of your outstanding claims against the Nizam, deems it indispensable that he should know that your transactions have been such as may receive his countenance.

5. It may be useful to add, that the statements required from you are copies of the accounts which you have hitherto kept with the Nizam's Government.

I have, &c.

Hyderabad Residency, Camp, Deottanna, 23d February 1823. (Signed) C. T. METCALFE.

(Enclosure No. 5.)

To G. Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

1. The Nizam's Minister, Rajah Chundoo Loll, has received in a very becoming and promising manner the intimation conveyed to him of the pleasure of the Honourable the Governor-General in Council, regarding the cessation of intercourse with the members of the firm of William Palmer and Co., and has given the most positive assurances, that he will, for the future, decline all communication with them, personal or written, direct or indirect, or through any other than the proper channel of the Resident.

2. The communication to be made to the Minister was, in my absence, entrusted to my Assistant, Lieutenant Barnett, who was instructed to invite the Minister in a friendly and conciliatory manner to a cordial co-operation with me for the welfare of his Highness the Nizam and his country, without, as heretofore, seeking through irregular channels, partisans for his own support. In reply, he acknowledged that he had been prone to look to others rather than to the Resident; "but," said he, "if you knew the pains that were taken to instil "into my mind the idea of his being inimical to me, and of my having no "prospect of support from that quarter, you would not be surprized at my con-"duct, or even at my foolishness (nadanee), in sending that paper through "Messrs. William Palmer and Co."

3. The Minister made particular enquiries respecting the intended payment of the debts due to Messrs. William Palmer and Co., entreating that they might be paid off quickly, and an end put to a connexion which had caused so much trouble and perplexity to him. I have desired Lieutenant Barnett to reply, that the payment of the debt depends on the production of the detailed accounts which have been called for.

I have, &c.

Hyderabad Residency, Camp, Mehker, 25th February 1823. (Signed) C. T. METCALFE, Resident.

(Enclosure No. 6.)

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Letter from Secretary to Government.

Sir:

1. I am directed to acknowledge the receipt of your despatch of the 23d ultimo, submitting copies of your correspondence with the firm of William Palmer and Co., relative to the production of their accounts with the Government of his Highness the Nizam.

2. The Honourable the Governor-General in Council entirely approves the tenor of your letter to the house, under date the 23d February, and desires that, if necessary, you will repeat to Messrs. William Palmer and Co., in the name of the Governor-General in Council, the call therein made for the production of copies of all their accounts, as required by your letter to them above referred to.

3. On

Enclosures in Bengal Political Letter, 31 Mar. 1823.

Letter from Secretary to Government.

3. On the subject of Messrs. William Palmer and Co.'s late communications to you, regarding the alleged severity of the orders for placing them on a footing with other British subjects at Native Courts, and for their rendering a detailed account of all their pecuniary transactions with the Nizam's Government, the Governor-General in Council observes, that they appear entirely to have overlooked the terms on which they themselves solicited permission to engage in those transactions, and the conditions on which that permission was granted. If, as stated in their original application in 1816, their transactions have always been open and public, and "free from all taint of those qualities," which had rendered incumbent on the legislature the imposition of penalties, "with a view to prevent European British subjects from acquiring privately too "much influence at Native Courts, and from taking advantage of the necessi- "ties of Native Governments to extort exorbitant interest," the Governor-General in Council is at a loss to comprehend why Messrs. William Palmer and Co. should now consider a call for the production of their accounts with the Nizam a serious injury to their house, since it was with a perfect understanding of this condition that they engaged in those transactions, and the observance of which, indeed, could alone render their dealings with his Highness's Government legal. Such transactions, moreover, must be considered to be in their nature abundantly simple. The house were to be at liberty to have pecuniary dealings with the Nizam's Government, with the knowledge and sanction of the British Resident: these transactions were to be open and public, and no advantage was to be taken of the necessities of the Native Government to extort exorbitant interest. In all such transactions, then, what matters or what names can be involved, the disclosure of which should be felt by Messrs. William Palmer and Co., as a measure of peculiar severity and hardship? And again, if all pecuniary dealings with the Nizam were to be of the character above described, it is difficult to conceive why they could not be conducted through the Resident, and why the restriction on the direct intercourse between the house and the Minister should be regarded by the Soucars "as a complete "crushing of Messrs. William Palmer and Co.'s establishment." Such a consequence of the prohibition in question could only be contemplated, in the case of a commercial house being supported solely by the very influence which Messrs. William Palmer and Co. have solemnly disclaimed; while it is evident, that if their credit as a house of agency be good in itself, its weight in the market cannot fail to be encreased, by the circumstance of the firm enjoying the general countenance and support of the British Government, in their commercial dealings with that of his Highness the Nizam.

4. The Governor-General in Council deems it proper, that you should communicate the above general observations to Messrs. William Palmer and Co., as they appear to take a very erroneous view of the situation in which they stand as a British commercial house at Hyderabad; and as it is necessary they should distinctly understand, that the footing on which they are now placed, is the only one that can be permitted in future. With regard to the character they have given of their own transactions during the period of their connexion with his Highness's Government, the sentiments of this Government have already been expressed on some of those transactions, as far as the Governor-General in Council has been able to form a judgment of them; and it remains for the house, by the explanations they are now called on to afford, to remove that unfavourable impression, which recent inquiries, and the information hitherto submitted by them, have as yet only tended to confirm.

5. I am directed to take this opportunity to acknowledge the receipt of your despatch of the 25th ultimo, reporting the becoming manner in which the Minister received the intimation on the subject of the restricted intercourse with Messrs. William Palmer and Co. The contents of that despatch are considered to be very satisfactory, but do not call for any particular remarks.

I have, &c.

Fort-William,
21st March 1823.

(Signed) G. Swinton,
Secretary to Government.

Enclosures in Bengal Political Letter, 31 Mar. 1823.

Letter from Resident at Hyderabad.

(Enclosure No. 7.)

To G. Swinton, Esq., Secretary to Government.

Sir:

1. I have the honour to transmit copies of correspondence with Messrs. William Palmer and Co.

2. The commencement of their letter of the 18th instant is in answer to my call for a statement of the precise nature and extent of the injury occasioned to them, by the resumption of the revenue assignments held by them for the pay of troops at the termination of the Aurungabad contract.

3. They do not furnish any figured statement of actual loss, but represent generally several injurious consequences naturally resulting from the want of funds.

4. The question, therefore, of their injury, depends on the degree in which their want of funds was occasioned by the resumption of those assignments.

5. My report of the 22d instant will have shewn, that the sum total of which payment was actually withheld or postponed by that measure, did not exceed one lac and sixty thousand rupees. It is impossible to suppose that a short delay in the payment of such a sum can have occasioned the distress which they represent; and if, from the assignments granted instead, they have realized a larger sum, which is most probable, they must, by their own reasoning, consider the resumption of the former assignments as a gain.

6. The want of funds is no new complaint with Messrs. William Palmer and Co., and did not proceed from the resumption of those assignments. They have never kept funds in their hands. They have laid out every thing at high interest, and have consequently no means of meeting sudden calls. It may suit their purpose to ascribe every difficulty to a resumption of assignments, or an order of Government; but such distress as they describe, is the natural result of their imprudent manner of carrying on their business. They have never been in greater distress, nor in greater alarm, than in June or July 1821, when all their transactions with the Nizam's Government were in full career, unchecked and uncontrolled.

7. How is it to be explained, that a firm with such extensive dealings should have so little credit in the commercial world, as not to be able to procure funds to meet the smallest demands, notwithstanding the abundance which has long prevailed in the money-market, and notwithstanding the unprecedented support which they have received? The question only admits of one answer. The repute of their transactions has inspired distrust, rather than confidence, among commercial men. Hence their want of funds, and consequent distress and alarm.

8. You will observe, therefore, that what they allege as consequences of the resumption of the Aurungabad assignments, are rather the natural results of their own proceedings, in very little or no degree attributable to that measure.

9. It is curious to observe the inconsistencies into which they fall. In this very letter, in which the resumption of those assignments is represented as fraught with so many evils, speaking of other assignments which they hold, equally good if not much better, they say as follows: "We further entreat, "that you will be pleased to instruct Lieutenant Barnett to use his interference "to procure payment of such portions of our assignments as are already due. "We cannot expect any very material or immediate assistance from this "source, and we must rely exclusively upon the protection which you may be "disposed to give us." Wanting now to procure assistance from the Residency, they underrate or state truly the value of these assignments; but when assignments are resumed or resigned, they affect to estimate them as ready cash, as in their complaint respecting the Aurungabad assignments, and in their letter of the 17th instant.

10. They complain of want of funds, and in the same breath, of the close of their Aurungabad transactions, putting out of sight, that if those transactions had not been closed, their want of funds would have been greater.

11. I

11. I trust that their alarms, as to a run on their house, will prove groundless. If such a misfortune should befal them, it will be owing to other circumstances than those to which they would be disposed to ascribe it; and they have it in their own power to avert any danger of this kind, by producing those accounts, their pertinacious withholding of which seems inconsistent with the real existence of the fears which they profess.

Enclosures in Bengal Political Letter, 31 March 1823.

I have, &c.

Hyderabad Residency, Camp Loonar. 24th February 1823. (Signed) C. T. METCALFE, Resident.

To Messrs. William Palmer and Co.

Letter from Resident at Hyderabad.

Gentlemen:

I am directed by the Honourable the Governor-General in Council to call on you to state any particulars which you may wish to bring to the notice of Government, regarding the precise nature and extent of the injury alleged by you to have been occasioned by the resumption of assignments on the revenue held by you, on account of the pay of the troops of the Aurungabad division of the Nizam's army, at the time when your contract with his Highness's Government on that account terminated.

I have, &c.

Hyderabad Residency, Camp, Kullum, 5th February 1823. (Signed) C. T. METCALFE, Resident.

To Sir Charles T. Metcalfe, Bart., Resident, &c. &c. &c., Camp.

Letter from Messrs. William Palmer and Co.

Sir:

We have the honour to acknowledge the receipt of your letter of 5th February, directing us to state the precise nature and extent of the injury occasioned to us, by the resumption of assignments on the revenue held by us on account of the pay of the troops of the Aurungabad division of the Nizam's army.

We beg to state, that we have before submitted to Government, that we held deposits of cash from Soucars and others in this market at one and a half, one and three quarters, and two per cent per month. The direct effect of the resumption of these assignments was, to preclude us from a reduction, in the first instance, of these accounts, which stood heavily against us.

In the next instance, whilst the payments of the assignments might have had a tendency to reduce these rates of interest beyond the limit of the immediate amount of the repayments, their resumption occasioning a want of funds, led to a demand in some instances for a higher rate of interest, with which we were obliged to comply.

The want of funds not only counteracted all monied speculations, but had a direct bearing upon us to the injury of our credit, and forced us, for the performance of our engagements, into the market on disadvantageous terms, compelling us to discount paper at the same high rates of interest, and which was in this situation negociable from its collateral securities only.

We did not always find the discounting of paper available to us in the fullest extent required, and we have been often forced to the discredit of protracting payments on our acceptances, which in one instance led to a remonstrance from a constituent in Sattarah, whilst the remonstrances at this place have been frequent.

In some instances, the demands for remittances by constituents were delayed from one to two months, whilst before an immediate attention had been invariably given to them; and, at the present moment, we are unable to perform our engagements with Calcutta for the repayment of a sum less than a lac of rupees.

We beg further to submit to you, that since the close of our Aurungabad transactions, no money has been deposited with us by the Soucars, as formerly, without collateral securities; and that all bills upon them, instead of being

paid

Enclosures in Bengal Political Letter, 31 Mar. 1823.

Letter from Messrs. William Palmer and Co.

paid in cash, as before, with a very few exceptions have been carried to account, and every direct and indirect measure, that did not bear immediately as the last injury upon us, has been resorted to by them to reduce their accounts.

We hope our statement will satisfy you, that the injury has not only been in effect, but has operated more extensively by embarrassing our credit, the extent of which cannot be defined. We can establish our assertions by references to our accounts: but we hope we may be spared the labour and vexation of resorting to them, and the very painful condition of exhibiting the accounts of others; from which, we hope, it will be accorded to us, we are precluded in justice to the parties concerned.

Referring to our letter of 16th instant to you, we again entreat your attention to our request, that you will be pleased to direct that protection may be afforded to us from your treasury to preclude a general run upon our concerns. We are suffering the severest anxiety, and our distress will not be relieved, till we have the honour to hear from you in reply.

We apprehend that a run upon us will carry with it an aggravated distress, by affecting the credit of the Soucars, who are known to have extensive dealings with us, and will bear similarly upon distant houses of business connected with them. We have only to resort to experience, to state that this is the usual condition of mercantile houses; and we fear there can be no shelter against demands coming from distant places from any subsequent act of protection: these must be inevitably met by cash payments.

We further entreat, that you will be pleased to instruct Lieutenant Barnett, to use his interference to procure payment of such portions of our assignments as are already due. We cannot expect any very material or immediate assistance from this source, and we must rely exclusively upon the protection which you may be disposed to give us. The aid of ten lacs of rupees might, in the first instance, be effectual; but a much larger sum would be required, if a run was once made upon the house.

Judging from the sentiments of the natives connected with us, we fear to communicate the change of our position to the Soucars. We shall wait the honour of a reply from you, which we confidently hope will furnish us with the protection we so anxiously solicit.

We have, &c.

Hyderabad, 18th February 1823. (Signed) W. PALMER AND Co.

Letter from Resident at Hyderabad.

To Messrs. William Palmer and Co.

Gentlemen:

1. I have been favoured with your letter of the 18th instant.

2. I have already apprized you, that I am authorized, in the event of extreme exigency, to afford you assistance from the Residency treasury to a limited extent.

3. Lieutenant Barnett shall be instructed to use his endeavours to procure payment of such portions of your assignments as may be due, for which purpose it will be useful to furnish him with the particulars.

4. Adverting to the apprehensions which you express, but which I trust will never be confirmed, I cannot refrain from pressing on your attention the expediency of furnishing, without delay, the detailed accounts required, which will lead to the removal of every possible cause of alarm.

I have, &c.

Hyderabad Residency, Camp, Deottanna, 23d February 1823. (Signed) C. T. METCAFE.

(Enclosure

Enclosures in Bengal Political Letter, 31 Mar. 1823.

Letter from Resident at Hyderabad.

(Enclosure No. 8.)

To. G. Swinton, Esq., Secretary to Government.

Sir,

1. I understand from Rajah Chundoo Loll, that a party which is endeavouring to dispossess him of the Ministry, and in which Ukbar Jah, one of the brothers of his Highness the Nizam, and Rajah Govind Buksh, the Minister's own brother, are principals, has lately deputed an agent to Calcutta.

2. Whether this is a groundless alarm, or has any foundation in fact, I do not know; but the idea of this mission has increased Chundoo Loll's fears, which are always easily worked upon by such reports.

3. Ukbar Jah has apparently for some time past headed a party against him, and Govind Buksh is said to belong to it. It has received no encouragement here, and may possibly therefore be disposed to try its fortune elsewhere: or perhaps, the design is given out for the purpose of alarming the Minister, which is the usual way to obtain some of the plunder of the State.

4. It was reported some time ago, that Ukbar Jah had transmitted an address to the Nizam, recommending a change of Ministry, on which occasion his Highness is said to have remarked: "what makes brother Ukbar Jah write "such foolish notes? Are these Ministers of my selection? Is it in my power "to remove them?" I mention this merely as a report: It may have been an invention.

5. There is something mysterious in the intercourse between the brothers, Chundoo Loll and Govind Buksh, which leads me to doubt whether the alleged ennity between them is real, or feigned for some purpose of mutual interest. At the very time when the former complains of the intrigues of the latter, and is said to be in dread of assassination from the same quarter, he is under the necessity of palliating and excusing, and giving a false colouring to repeated breaches of faith on his own part towards the British Representative, in keeping districts under Govind Buksh which he has often promised to resume from him. Govind Buksh formerly held the Government of a large portion of the Nizam's dominions. His rule was so abandoned and ruinous, that as one of the first measures of reform, my predecessor was compelled to insist on his removal. He was ostensibly removed, but the Minister deceived Mr. Russell, and the country for the most part remained under Govind Buksh and his agents. It became my duty to urge his effectual removal. The Minister professed acquiescence, and something more was done towards it. I thought, at the time, that it had been wholly done, but I also was deceived; and it is only lately that I have discovered that a part of the country is still in the hands of Govind Buksh, or under agents notoriously appointed by him. The Minister declares, that they are really appointed by himself, and that Govind Buksh has no authority in the districts, but that he allows the notion of his brother's retaining territory to prevail, for the sake of preserving appearances towards so near a relation and upholding his credit. It is difficult to believe this assertion, for the reality in such a case would most probably become known; and I fear that the affair must be added to the number of instances, in which the Minister has given an ostensible assent, which he has afterwards effectually counteracted. As extortion now every where meets with some degree of check, more or less complete according to local circumstances, it is at present of less consequence than formerly, whether Govind Buksh has or has not any charge of districts; but if the opinion prevalent, that he has, be confirmed, I shall still on principle think it necessary to press the Minister to perform his engagements. His conduct respecting the districts under his brother seems irreconcilable with his complaints of that brother's enmity, unless, as is often the case with him, fear be the cause of favour. Govind Buksh was worse than plague, pestilence, and famine to the country which he formerly governed with unrestrained authority; and if a ruler could be found worse than Chundoo Loll, it would by all accounts be Govind Buksh. Then, as now, the brothers used to complain of each other.

I have, &c.

Hyderabad Residency, Camp, Mehker, 26th February 1823.

(Signed) C. T. METCALFE, Resident.

Enclosures in Bengal Political Letter, 31 Mar. 1823.

(Enclosure No. 9.)

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Sir:

Letter from Secretary to Government.

1. I am directed to acknowledge the receipt of your despatches of the 24th and 26th ultimo, and to communicate to you the following observations.

2. The letter from Messrs. William Palmer and Co., in reply to your call on them to state the precise nature and extent of the injury they have sustained in consequence of the resumption of the Aurungabad assignments, is considered to be quite inconclusive, as to any actual loss incurred by them on that account, while there is but too much reason to believe, that the difficulties to which the firm may be now exposed are to be attributed solely to the cause assigned in your despatch.

3. On the subject of your despatch of the 26th ultimo, I am directed to observe, that the Governor-General in Council perceives with concern the weakness of Chundoo Loll, whose fears afford constant encouragement to the plots of those who find it their interest to keep alive in his mind an apprehension of their means of removing him from power, and the duplicity of his conduct with regard to the arrangement for withdrawing his brother, Rajah Govind Buksh, from the charge of the districts which had suffered so much while under his management. The Governor-General in Council approves of your intention, to urge the Minister to act up to his engagements on that head.

I have, &c.

Fort-William, 29th March 1823.

(Signed) G. SWINTON, Secretary to Government.

Letter from Resident at Hyderabad.

(Enclosure No. 10.)

To G. Swinton, Esq., Secretary to Government.

Sir:

With reference to the tenth paragraph of your first despatch of 15th January, I have the honour to inform you, that by a despatch this day received from Fort St. George, I learn that fifteen lacs of rupees is the sum which I may expect from the treasuries of that Presidency.

I have, &c.

Hyderabad Residency, Camp, Kokurla, 7th March 1823.

Signed) C. T. METCALFE, Resident.

Letter from Resident at Hyderabad.

(Enclosure No. 11.)

To. G. Swinton, Esq., Secretary to Government.

Sir:

I have the honour to transmit copies of letters from Messrs. William Palmer and Co.

I have, &c.

Hyderabad Residency, Camp, Deogaon, 13th March 1823.

(Signed) C. T. METCALFE, Resident.

Letter from Messrs. W. Palmer and Co.

To Sir Charles T. Metcalfe, Bart., Resident, &c. &c. &c., Hyderabad.

Sir:

We have the honour to acknowledge the receipt of your letter of 20th February.

We beg to offer you our acknowledgments for the consideration you have given to our situation. We believe that the measures which you have been so good as to instruct Lieutenant Barnett to adopt, for averting the evils we have apprehended, will be effectual for the purpose.

We think it our duty to apprize you, that unexpected demands have been lately made upon us by our constituents in this place for a sum exceeding three lacs of rupees, and that we are under engagements abroad for the immediate payment of about two lacs of rupees, which the realization of the assignments now due will enable us to meet.

We

Enclosures in Bengal Political Letter, 31 Mar. 1823.

We cannot but make you our best thanks for the assurance kindly made to us, that no injury is intended to our establishment.

We have, &c.

Hyderabad, 5th March 1823. (Signed) W. PALMER AND CO.

Letter from Messrs. W. Palmer and Co.

To Sir Charles T. Metcalfe, Bart., Resident, &c. &c. &c.

Sir:

In acknowledging the receipt of your letter of 23d February, we beg to make you our acknowledgments for the instructions given to Lieutenant Barnett, to use his endeavours to procure payment of such portions of assignments, as are now due to us.

The particulars shall be submitted to-day to Lieutenant Barnett.

We have, &c.

Hyderabad, 5th March 1823. (Signed) W. PALMER AND CO.

Letter from Resident at Hyderabad.

(Enclosure No. 12.)

To G. Swinton, Esq., Secretary to Government.

Sir:

1. I have the honour to submit a copy of a letter from Messrs. William Palmer and Co.

2. I transmit this, because I would rather not withhold any thing that they think it of consequence for themselves to urge.

3. They put out of sight, as is natural, those proceedings which have led to the late call for their accounts.

I have, &c.

Hyderabad Residency, Camp, Deogaon, 13th March 1823. (Signed) C. T. METCALFE, Resident.

Letter from Messrs. W. Palmer and Co.

To Sir Charles T. Metcalfe, Bart., Resident, &c. &c. &c., Hyderabad.

Sir:

We have the honour to acknowledge the receipt of your letter of 23d February, in reply to our letter of the 17th of February.

We beg to assure you, that our accounts shall be made up and transmitted to you with all possible despatch.

Whilst we deprecate the intention of going into discussions with the Supreme Government, we beg to submit to you, that our comprehension of the orders of the British Government was, that our transactions with the Nizam's Government were subject to the cognizance and control of the Resident in their general outline only, and not to the exposition of our accounts, item by item; and we cannot but have severe apprehensions f om the bare circumstance, that accounts carried on with one Government, and passed by it, for a period of many years, are now submitted to the re-audit of another Government, from their very commencement. Whilst we have ventured upon making these remarks for your liberal consideration of our situation, we hope that you will not deem it necessary to submit them to Government, unless they generally meet with your approbation. For your further information, we beg to submit to you extract of a letter from Mr. Secretary Adam, dated 23d July 1816.

"I am accordingly directed to transmit to you a writing under the signature "of the Governor-General in Council and the seal of the Honourable Com- "pany, signifying the permission of the Supreme Government for your per- "forming the acts above referred to, with no other reservation, than that it "shall be at the discretion of the British Resident at Hyderabad, for the time "being, to satisfy himself regarding the nature and objects of the transactions "in which you may engage under the permission now accorded."

We have, &c.

Hyderabad, 5th March 1823. (Signed) W. PALMER AND CO.

(Enclosure

Enclosures in Bengal Political Letter, 31 Mar. 1823.

Letter from Resident at Hyderabad.

(Enclosure No. 13.)

To G. Swinton, Esq., Secretary to Government.

Sir:

1. I have received from Messrs. William Palmer and Co. their accounts of their Aurungabad concerns, exhibiting a balance against the Nizam's Government of Rupees 10,67,015. 6 annas.

2. After comparing these with the accounts from the Nizam's Minister, and receiving his assent to their correctness, and obtaining further explanation on such items as appear to require it, I shall submit these accounts for the information of the Honourable the Governor-General in Council.

3. I beg leave to solicit his commands as to paying off the balance abovementioned, if it be admitted by the Nizam's Government, of which there is little or no doubt.

4. I am happy to say, that in these accounts Messrs. William Palmer and Co. have abandoned their project of re-transferring, with accumulated interest, the balance of the old Aurungabad account, which was formerly transferred to the Hyderabad account. These accounts, therefore, appear without the objectionable fabrications which must have attended that procedure, and the old Aurungabad balance will be carried on properly in the Hyderabad accounts.

5. There is still a difference between the Nizam's Minister and Messrs. William Palmer and Co. to be cleared up, as to which of those accounts the Aurungabad balance was transferred to, and another as to the interest of the Aurungabad accounts; but these discrepancies may I hope soon be settled.

I have, &c.

Hyderabad Residency, Camp, Imlee Baug, 16th March 1823.

(Signed) C. T. METCALFE, Resident.

Letter from Resident at Hyderabad.

(Enclosure No. 14.)

To G. Swinton, Esq., Secretary to Government.

Sir:

1. I observe in the accounts of the Aurungabad concern furnished by Messrs. William Palmer and Co., that after the termination of their contract, they received, on that account, the following sums on the dates under-mentioned, being the produce of assignments on the revenue.

		R.	A.
August 15th, 1822	Rupees	3,750	0
September 3d		1,52,923	9½
		50,000	0
		31,250	0
October 13th		1,671	5
Total	Rupees	2,39,594	14½

2. Their account is closed in November, and what they have since received does not appear.

3. It follows from these receipts, that one of two things must have happened. Either they were the produce of assignments of which payment might have been withheld and was not; or Messrs. William Palmer and Co. must have received more in two months from the assignments substituted, than they could have realized in six or seven from those resumed, on which the whole amount obtained by the Government up to a late period was reported in a former despatch.

4. Either circumstance would shew, that the complaint of Messrs. William Palmer and Co., regarding the resumption of assignments, had little or no foundation, and that their clamour on that point was raised for the purpose of conveying a deceptious notion of injury.

I have, &c.

Hyderabad Residency, Camp, Imlee Baug, 16th March 1823.

(Signed) C. T. METCALFE, Resident.

POLITICAL LETTER *from* BENGAL, *Dated 8th May 1823.*

Bengal Political Letter, 8 May 1823.

1. In our letter of the 31st of March last, we had the honour to submit a copy of a report from the Resident at Hyderabad, relative to the partnership of certain public officers formerly attached to that Residency with the house of William Palmer and Co., together with copies of the instructions which were issued to Sir Charles Metcalfe in reply, and of the letter to Mr. Sotheby, calling on him to clear himself from that imputation, and to explain his conduct with regard to the affidavit sworn before him by Sir William Rumbold and Mr. William Palmer.

2. We have not yet received the Resident's reply to the instructions above referred to; but we have the honour to transmit, as numbers in the packet, copies of Mr. Sotheby's answer of the 18th ultimo,* and of our resolution of the 24th of that month on his case.†

3. Our sentiments on the character of the transactions in which Mr. Sotheby admits he was engaged, and on his explanation regarding the affidavit, are so fully stated in the resolution now submitted to your Honourable Court, that we deem it unnecessary to enter into any detailed exposition of them in this letter. Your Honourable Court will observe, that we have removed Mr. Sotheby from the situation of Agent to the Governor-General at Moorshedabad. It is our intention not to employ him in any branch of the public service pending the reference of his case to your Honourable Court, and we accordingly respectfully solicit the communication of your orders regarding him. In the mean time, Mr. Sotheby will draw the allowance of his rank as a civil servant out of employ.

4. In our former address of the 31st March last, we had the honour to transmit copies of two despatches from the Resident, under date the 16th of that month. We have now the honour to submit a copy of our instructions in reply to those despatches, dated the 11th ultimo, apprizing the Resident that he must continue to press Messrs. William Palmer and Co. for the production of their accounts, and expressing our concurrence in his opinion as to the character of the complaints by the firm, of injury alleged to have been sustained by them in consequence of the resumption of certain assignments.

5. In continuation of the series of the Resident's Reports already before your Honourable Court, we beg leave to submit the accompanying copies‡ of despatches received since the date of our last address, and of our instructions, in reply, of the 18th and 24th ultimo.

6. The communication conveyed in one of those despatches, namely, that of the 6th ultimo, we consider peculiarly satisfactory, as affording a strong ground of hope, that the arrangement for assisting the Government of his Highness the Nizam with funds for the relief of the pecuniary embarrassments of the State, by the redemption of the peshcush, may yet be carried into effect. The advantages of that arrangement, in our opinion, are such as to render its accomplishment highly desirable. Your Honourable Court will observe in our instructions of the 24th ultimo, that we contemplate the combining with that purchase, on our part, the redemption by the Nizam of the perpetual payment to us, under the late treaty, of Rupees 1,20,000 per annum, as well as a settlement of the debts due to us by his Highness of upwards of eighteen lacs of rupees, on account of revenues collected by the Nizam's officers from certain territories conquered from Bajee Rao, as already reported in our late addresses to the Honourable the Secret Committee and your Honourable Court. If, with the concurrence of his Highness, we shall be able to effect our purpose, we shall at once adjust the mutual claims of the two Governments in the most convenient manner, afford to our ally a highly beneficial aid without incurring the necessity of any interference to secure repayment, and add the annual sum of Rupees 5,80,000 to the income of your Government, by the disbursement from our cash balances of less than seventy-eight lacs.

7. Under

* Enclosure No 1. † Enclosure No. 2. ‡ Enclosures Nos. 4 to 10.

Bengal Political Letter, 8 May 1823.

7. Under all the circumstances of the embarrassing situation of affairs at Hyderabad, resulting from the pecuniary dealings between the Minister and the house of Messrs. William Palmer and Co., we persuade ourselves that the tenor of the instructions of the 24th ultimo, as well with regard to the redemption of the peshcush as to the measures to be pursued by the Resident, in the event of Messrs. William Palmer and Co.'s continued evasion of the call to produce their accounts, will be honoured with the approbation of your Honourable Court.

We have, &c.

Fort-William,
8th May 1823.

J. ADAM,
EDW. PAGET,
JOHN FENDALL,
J. H. HARINGTON.

P.S. We have the honour to annex, as numbers in the packet, copies of four reports * received from the Resident at Hyderabad since this letter was under-preparation. Those dated the 22d ultimo are in reply to particular points in the instructions of the 29th March, referred to in the second paragraph of this address.

(Enclosure No. 1.)

Letter from Mr. Hans Sotheby.

To George Swinton, Esq. Secretary to Government, Fort-William.

Sir:

1. I have the honour to acknowledge the receipt of your letter of the 29th ultimo, calling upon me to answer certain queries, founded on the supposition that myself, and other servants of the Honourable Company attached to the Residency at Hyderabad, had been connected, directly or indirectly, in partnership with the house of William Palmer and Co., or in pecuniary dealings with the Nizam's Government.

2. The situation in which I am placed by this demand is one of great and fearful difficulty. The Honourable the Governor-General in Council warns me of the conclusions he must inevitably draw from my refusal to reply; while I am also explicitly told, I am not to consider myself under any obligation to answer them, if I conceive, by so doing, I shall criminate myself. No alternative, therefore, is left to me, and whether I answer or refuse, the same inevitable consequences are involved.

3. Trusting, however, to the well-known clemency of the Indian Government shewn to those who are not unworthy of it, I am induced to commit myself to that; and am the more inclined to do so, from a belief, almost amounting to certainty, that the Governor-General in Council is in possession of certain facts, the nature of which, from accidental circumstances, has been exaggerated, in a manner most unfavourable to me; and I trust I shall be able to adduce circumstances which will not only greatly extenuate, but will even shew, that the offence, in the commission of which I am implicated, may be explained away to an almost venial trespass.

4. In the commencement of the year 1813 I arrived at Hyderabad, and in the course of time I became associated in friendship with Mr. William Palmer. During our friendly intercourse, I made him a confidant of my embarrassments, occasioned by the debts I had incurred in Calcutta, and requested his assistance, as a member of a mercantile concern, in obtaining money to liquidate them. After some conversations on the subject, he proposed that, instead of raising money to send to Calcutta, I should lodge the sum in his house; and that he would, from motives of friendship only, give me whatever sum it might produce by being employed as part of the capital of the firm.

5. Heedless of the consequences, and at that time alive only to the wish of emancipating myself from debt, I gladly accepted an offer which opened a prospect of relief; and towards the close of the year 1814, arrangements were made to the above effect. In the year 1815, Sir William Rumbold came to Hyderabad, for the purpose of entering into partnership with Mr. William Palmer; and in the arrangements which were then made, having borrowed money for the purpose from Doctor Currie, I was permitted to enjoy the benefit of a share without knowledge or part in their concerns.

6. Affairs

* Enclosures Nos. 11 and 12.

6. Affairs continued in this state till the year 1819, when owing to the increase of business, the transactions of the house of Messrs. William Palmer and Co. having changed their nature, and the contemplation of a large loan for the purpose of relieving the difficulties of the country being most likely to bring them into close contact with the Nizam's Government, together with the different view which increasing years and maturer judgment gave me of the situation in which I was placed; from a consideration of all these circumstances, I found myself called upon to decide what line of conduct I was to adopt in future. The point was quickly settled; and although Mr. William Palmer, from the motives of private regard which had always actuated his conduct towards me, requested I would retire from the service, and become an active and avowed partner, I determined to remain in that line in which I had commenced my career, and forego the pecuniary advantages promised by a permanent connexion with the house. My concern in the house, as a participator in its profits, ceased in February 1820.

7. During the time I was thus concerned with them my connection was unavowed. My situation as Second Assistant to the Resident afforded me no political consequence whatever; and even when I became First Assistant, Mr. Russell's habits of conducting the whole of the political business of the Residency independent of me, left me still without power or influence. Had not this been the case, my eyes would have been sooner opened to the predicament in which I had placed myself, and to the serious aspect which my connexion with the house might one day assume.

8. A liberal, enlightened, and impartial Government, like the one which I have now the honour of addressing, will, I most humbly hope, look with generous indulgence on faults incurred through want of reflection; and will not, upon an after-discovery, judge with their utmost rigour, one who has long and sincerely repented his aberration, and has subsequently exerted himself to the best of his power, judgment, and abilities, for the benefit of his employers. In support of what I have here advanced, it is my intention to call upon the Resident at Hyderabad and others.

9. Having thus freely, fairly, and candidly stated the circumstances which gave rise to my connexion with the house of William Palmer and Co. and the reasons why I left it, I shall proceed to answer the queries in your letter.

1st. I have at one period of time been connected (but not in business) with the house of Messrs. William Palmer and Co. at Hyderabad; but how far this may imply, that I was engaged in pecuniary dealings with the Nizam's Government I am not aware. More direct dealings than what might arise from this connection I never had; inasmuch as the prospect of direct and pecuniary dealings with the Nizam's Government was one of the principal reasons for my quitting all connection with the firm.

2d. My connexion with the house was unavowed, and I conclude remained secret.

3d. The precise date on which I became connected with the house I cannot at this time ascertain, but know it to have been some time towards the close of the year 1814. The date on which I withdrew was February 16th 1820.

4th. I have never received more than twelve per cent. for any money lodged with the house of William Palmer and Co. since I retired from the partnership.

5th. I accepted the gratuity which the firm of William Palmer and Co. were pleased to offer me on my retiring, but none was either offered or taken on any other account.

6th. With the heedlessness to consequences which has attended my share in the affair under investigation, I signed a deed of release to Dr. Currie on his retiring from the firm. I hope I may be excused remarking here, that I call the act of signing it heedless, because the deed of release was not a necessary instrument, neither Dr. Currie nor myself being avowed partners in the house. It was only done to relieve the apprehensiveness of that gentleman's mind, and under the impression that the paper would be placed among others belonging to him, for the purpose of being forwarded to England in the hands of a mutual friend.

This

Enclosures in Bengal Political Letter, 8 May 1823.

Letter from Mr. Hans Sotheby.

This act was performed previous to the affidavit being sworn before me by Mr. William Palmer and Sir William Rumbold.

7th. Not being in the habits of reporting to the Resident any affidavits which were sworn before me, was the reason why I did not report the one in question.

8th. When affidavits were brought before me, it was for the purpose of making them legal instruments, the parties calling upon me, as senior Civil Servant, acting as Magistrate in the absence of the Resident, to witness the act of their swearing to the contents, and not to constitute me an attesting witness or judge of their accuracy or merit. The affidavit alluded to, and sworn before me by Mr. William Palmer and Sir William Rumbold, under these considerations, appeared to me in the same light as affidavits in general.

I must here humbly, but strongly, protest against the inference drawn by the Honourable the Governor-General in Council, that my signature implied an attestation of the truth contained in the affidavit, and thus construing a mere official form on my part, into an act criminal or otherwise, according to the merits of the instrument sworn.

9th. I am ignorant whether or not Mr. Henry Russell was at any time connected with the house of William Palmer and Co., in partnership or otherwise, and have never been induced to make observations leading to the belief that he had, nor am I acquainted with any transactions whatever which he may have had with it.

10th. I am equally ignorant of the affairs of Captain Charles Russell on this subject, and on every other.

11th. I know no further particulars of the connexion of Mr. Russell, of the Madras Engineers, with the firm, but that he was acting openly and avowedly as a partner when I first arrived at Hyderabad.

12th. Dr. Currie's connexion with the house was not known to me till some time after I arrived at Hyderabad. His connexion with it ceased about the time he returned to England in 1819.

10. I am unacquainted with any further particulars on these subjects. I trust that this unreserved disclosure of all circumstances within my knowledge will induce the Honourable the Governor-General in Council to entertain a milder opinion, than the one which might await the conclusion he would feel himself compelled to draw from my refusal to answer these queries; and that it will not be considered presumptuous on my part, to hope that the consequences may be proportionably mild.

I have, &c.

Moorshedabad,
18th April 1823.

(Signed) HANS SOTHEBY,
Agent to the Governor-General.

(Enclosure No. 2.)

Resolution of Governor-General in Council.

Extract from the Proceedings of the Governor-General in Council in the Political Department, dated 24th April 1823.

Resolution.

In recording his decision on the case of Mr. Sotheby, the late First Assistant at Hyderabad, the Governor-General in Council deems it necessary to recapitulate the contents of the letter submitted by Mr. Sotheby, in explanation of the facts and circumstances which had come to the knowledge of Government, relative to his supposed connexion with the house of William Palmer and Co. at that capital.

Mr. Sotheby states that, after his joining the Residency as Second Assistant, in the year 1814 he became associated in friendship with Mr. William Palmer, to whom he communicated, in confidence, his pecuniary embarrassments, requesting his assistance, as a member of a commercial house, in obtaining relief; that Mr. Palmer proposed to him, instead of raising money to remit to Calcutta, that he should lodge the sum in his house, engaging, from motives of friendship only, to give him whatever sum it might produce, by being employed

as

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as a part of the capital of the firm; and that, towards the close of that year, arrangements were made to the above effect.

Mr. Sotheby further states, that in 1815, when Sir William Rumbold came to Hyderabad to enter into partnership with Mr. William Palmer, he (Mr. Sotheby) borrowed money from Dr. Currie (the Surgeon to the Residency, and an unavowed partner in the firm), and was permitted to enjoy the benefits of a share in the house, but without knowledge or part in their concerns.

This arrangement, Mr. Sotheby states, continued in operation until 1819, when owing to the increase of business, the transactions of the house having changed their nature, and a large loan to the Nizam being in contemplation, which was most likely to bring them into close contact with his Highness's Government, he was led by increasing years and maturer judgment to take a different view of the situation in which he had placed himself, and determined to withdraw from the concern. Accordingly Mr. Sotheby states, that his connexion with the house, as a participator in its profits, ceased in February 1820.

Mr. Sotheby states, that during the time he was connected with the house, his connexion with it was unavowed. That his situation as Junior, and afterwards as Head Assistant, gave him no political consequence; and that, had this not been the case, his eyes would have been opened sooner to the serious aspect his connexion with the firm might one day assume. Mr. Sotheby expresses his hope, that a liberal Government will look with indulgence on faults committed through want of reflection, and will not, on an after-discovery of them, judge with the utmost rigour, one who has long and sincerely repented his aberration.

In reply to the special queries proposed to him, Mr. Sotheby states as follows.

That he was at one period of time connected (but not in business) with the house of William Palmer and Co., but is not aware how far this may imply that he was engaged in pecuniary dealings with the Nizam's Government. That more direct dealings than what might arise from that connexion he never had, inasmuch as the prospect of direct and pecuniary dealings with the Nizam's Government was one of the principal reasons for his quitting all connexion with the firm. That his connexion, while it lasted, was unavowed, and he concludes, remained secret.

The commencement of his connexion with the house he states to have taken place about the close of the year 1814, and its termination on the 16th February 1820. Mr. Sotheby further states, that since his retirement from the house he has never received more than twelve per cent. interest for his money; but acknowledges that he accepted a gratuity, which was offered to him on that occasion. Mr. Sotheby also admits, that, (in common with the other partners in the firm,) he signed a deed of release to Doctor Currie, on that Gentleman's retiring from the firm preparatory to his return to England. Mr. Sotheby states, that this act was performed by him previously to that of his attesting the affidavit sworn before him by Sir William Rumbold and Mr. William Palmer.

Mr. Sotheby states, that he attested the affidavit above alluded to, in consequence of his being called on by Sir William Rumbold and Mr. William Palmer, as the Senior Civil Servant at Hyderabad, in the absence of the Resident. That they applied to him, as acting in the capacity of a Magistrate, to give formality to the instrument, not to constitute him an attesting witness or judge of its accuracy or merits; and that he did not apprize the Resident of the circumstance, as he was not in the habit of reporting affidavits sworn before him, and as the affidavit in question appeared to him in the same light as affidavits in general. Mr. Sotheby here protests against the inference, that his signature to the affidavit implied a verification of its contents, thereby construing a mere official form into an act criminal or otherwise, according to the accuracy of the facts sworn to.

Mr. Sotheby declares that he is ignorant of the late Resident, Mr. Henry Russell's, connexion with the house at any time, and never had been induced to make observations leading to the belief that Mr. Russell had been so connected; nor is he acquainted with any transactions which Mr. Henry Russell

Enclosures in Bengal Political Letter, 8 May 1823.

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may have had with it. He is equally ignorant of Captain Charles Russell's affairs on this subject, or on any other.

Mr. Sotheby states, that Mr. Russell, formerly of the Madras Engineers, was acting openly and avowedly as a partner in the house of William Palmer and Co.; that the connexion of Doctor Currie was not known to him till some time after his arrival at Hyderabad, and that it ceased about the time that gentleman returned to England in 1819.

Mr. Sotheby further states, that he is unacquainted with any further particulars on the above subjects of inquiry, and trusts his unreserved disclosure of all circumstances within his knowledge will induce the Government to entertain a milder opinion than the one which the Governor-General in Council might have been compelled to draw, had he declined to answer the queries proposed to him.

The Governor-General in Council deems it necessary to advert, in this place, to a passage in the commencement of Mr. Sotheby's letter, submitting the above explanations, in which he acknowledges that he has been the more inclined to commit himself to the clemency of the Governor-General in Council, from a belief, almost amounting to certainty, that the Government was in possession of certain facts, accidentally exaggerated in a manner the most unfavourable to him, and that he can adduce circumstances which will not only greatly extenuate, but even shew, that the offence in which he is implicated may be explained away to an almost venial trespass.

The remarks which the Governor-General in Council feels himself compelled to make on Mr. Sotheby's own statement of his case, will prove that, in the opinion of Government, Mr. Sotheby has failed to adduce any one circumstance or argument, calculated to produce the effect contemplated. On the contrary, the persuasion entertained by Mr. Sotheby, that the facts, as admitted by himself, would explain away to an almost venial trespass, the grave offence of a secret partnership with a commercial firm in pecuniary dealings with a Native Prince, at whose Court he was residing in an official though subordinate character, for a continued period of upwards of five years, and of subsequently aiding and abetting in a gross deception attempted to be practised on Government by two of his former partners in the firm, can only be considered as exhibiting a melancholy proof of the confusion of his notions regarding the nature of that offence, and of his duty to the Government which he serves.

It is unequivocally admitted by Mr. Sotheby, that he was connected with the house of Messrs. William Palmer and Co., and shared in the profits of that concern, from the close of the year 1814 to the 16th February 1820.

Mr. Sotheby has pleaded, in extenuation, the heedlessness of youth and subsequent contrition for the act. But the Governor-General in Council is compelled to observe, that such a plea can hardly be urged, when it is considered that Mr. Sotheby was about twenty-five years of age when he first joined the Residency; that his connexion with the firm was not rashly, but deliberately formed, and maintained for a term of years; and that his penitence for the past did not prevent his subsequent dereliction of duty in the affair of the affidavit, at a period of more than a year after he had retired from the firm. Strong as the presumptive evidence, arising out of facts and circumstances distinct from Mr. Sotheby's statement, has already appeared to the Governor-General in Council that the late Resident and his brother were at one time or other connected in partnership with the house of William Palmer and Co., or derived extraordinary benefits from that concern, the denial by Mr. Sotheby of all knowledge or belief of such connexion on their part, deprives him of the benefit of what might have been considered some palliation of his offence, namely, that he had only followed the example of his superiors in office, and conceived that the practice was sanctioned by their adopting it.

The Governor-General in Council, adverting to the period when Mr. Sotheby withdrew from the house, and to the discussions which had previously taken place regarding the late Resident's supposed connexion with it, cannot admit to their full extent the exclusive motives assigned by Mr. Sotheby for relinquishing his secret partnership with William Palmer and Co. Mr. Sotheby could

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could not but have known of the Aurungabad arrangement, which was in full operation previously to the year 1819, and been sensible that, by the act of the house receiving assignments on the revenues of the country in liquidation of advances made by them to the Nizam's troops, they were brought into as close contact with the Nizam's Government, as by any direct loan to be repaid in a similar mode: nor can it be supposed, that Mr. Sotheby was entirely ignorant of the previous pecuniary dealings of the house with the Minister and other officers of his Highness the Nizam, in which they had been notoriously and avowedly engaged for many years, and which they themselves expressly alluded to, on the occasion of their applying for a licence in 1816, to protect them from the penalties of the Act of Parliament to which such dealings exposed them. "It was not possible," they stated in their letter of the 27th June 1816, "to carry on transactions so extensive and so general as theirs, "without being frequently concerned in pecuniary dealings with the Govern- "ment itself." The Governor-General in Council remarks, that it is difficult to conceive how, during the long period of Mr. Sotheby's connexion with the house, and the intimate friendship subsisting between him and Mr. William Palmer, as well as with advertence to the large profits which it is presumed Mr. Sotheby derived from that connexion, he could remain ignorant of one of the principal sources from which the firm drew its advantages, and never be induced to make any inquiries into the nature of their transactions. The letter just quoted could scarcely have escaped his observation, as a public document transmitted through the Resident to the British Government: and still more remarkable is it, that the notorious fact of a licence having been granted to them, authorizing them to do what was otherwise illegal, should not have sooner awakened his apprehensions. With what justice, then, can Mr. Sotheby say in his defence, that the nature of the transactions of the house was changed in 1819, and that this was one of the principal reasons that induced him to retire from the partnership. It may be asked, what were the other principal reasons for his tardy retirement on the 16th February 1820, when he accepted, moreover, a gratuity (to what amount is unknown) for so doing? It is not an overstrained supposition, to ascribe that proceeding on the part of the house to a desire to separate itself in appearance from any member of the Residency, at a period when suspicion was alleged to be afloat, as to the fact of the Resident himself being connected with them; and to enable them, in contemplation of the projected loan, which was formally proposed a few months after Mr. Sotheby's retirement, to make oath, if necessary, to the effect which has since been witnessed.

If the period of Mr. Sotheby's retirement, in such immediate connexion with the negociation of the sixty-lac loan, be remarkable, the fact is not less so, of Mr. William Palmer having, in his answer to the Resident's inquiry, as to the period from which the present house was established, fixed the very year in which Mr. Sotheby joined the house, though it was neither the time when Mr. William Palmer commenced business with other partners, nor the period of the present partners' alliance. The evidence as to Mr. Sotheby's secret connexion with the house may, in their estimation, have been such as might some day be produced against them; while they deemed it unadvisable to refer to an anterior period, as involving engagements and transactions not easily reconcileable with the letter of the affidavit.

If such may be supposed to have been the motives of William Palmer and Co. for wishing to detach Mr. Sotheby from the secret partnership at the period alluded to, it is no less probable, that the fear of detection on his part, in conjunction with the favourable terms offered of the gratuity above noticed, had its share in determining him to relinquish the connexion; and the remarkable coincidence, in point of time, of the circumstances above referred to, and Mr. Sotheby's tardy contrition, must necessarily cast much doubt on the reality of the latter, as a prevailing motive for his withdrawing from the house at that period.

The Governor-General in Council now proceeds to advert to the explanation offered by Mr. Sotheby, with regard to his share in the transaction of the affidavit.

On

Enclosures in Bengal Political Letter, 8 May 1823.

Resolution of Governor-General in Council.

On this subject the Governor-General in Council is compelled to remark, that the conduct of Mr. Sotheby as a public servant of the Government, in permitting such a document to be sworn before him under the circumstances already stated, of his own previous connexion with the house, would of itself have rendered him utterly unworthy of the confidence of Government, and liable to the consequences of its severest displeasure. In that affidavit it is stated by Mr. William Palmer and Sir William Rumbold, "that no public "functionary at the head of any public office or department ever had any "avowed or secret partnership, directly or indirectly, with them, or any interest "in their concerns, which could influence him in countenancing their dealings "with the Nizam's Government, or give him any means of deriving any "personal advantage from them." They further state, "that they think it "proper to add, that several individuals, natives and Europeans, who supported "them with their capital at the commencement of their establishment, did, "in consequence of such accommodation to them, derive benefits from their "house: these however were such as they gave them from private friendship, "or a sense of private and pecuniary obligation; but they repeat, that though "they have made this declaration, for the purpose of being perfectly explicit, "no Resident, or person at the head of any public office or department, or "*any one to whom they looked for public support or influence, have had any such* "*benefit*; and that no persons, of any description, but the above-named "partners of their house (*viz.* William Palmer, Sir William Rumbold, Hastings "Palmer, George Lamb, and Bunketty Dos) have been associated with them "in any way since the time (1820) they first entered into treaty for the loan "they negociated for the Nizam's Government."

In what manner, the Governor-General in Council asks, could Mr. Sotheby reconcile to himself the act of permitting so equivocal a document, to say the least of it, to be sworn before him, for the probable purpose of being submitted to the British Government, when he could not but be aware that the effect it was calculated to produce on the mind of the Governor-General in Council would have been destroyed, had the Government been apprized of the facts which Mr. Sotheby has himself acknowledged, with regard to his own connexion with the house.

The reasons assigned by him, for concealing from the Resident the fact of the affidavit having been sworn before him, and for considering himself irresponsible for the accuracy of its contents, are entirely unsatisfactory. He cannot, nor has he attempted to plead ignorance of the purpose for which the affidavit was made; and by attesting it under the actual circumstances of the case, he clearly became a party to the deception which it was intended to support. As little can he pretend, that he regarded it as one of those ordinary transactions which occur in the common course of business, and was thence undeserving of the notice of the Resident. He was fully aware of its connexion with an important public measure, to which the attention of the Resident was directed, and on the merits of which it was calculated to throw considerable light; and he must have been quite sensible, that if the parties had come before the Resident himself with such a document, it would either have been indignantly rejected, or have been made the subject of a strict investigation.

The period chosen for the making the affidavit while the Resident was absent from Hyderabad (no pressing exigency being pretended), the concealment of the fact from that officer, the tenor of the document itself, and Mr. Sotheby's undoubted knowledge of its evasive character and unworthy object, must be considered to deprive his explanations of all claim to attention; and it is impossible for the Governor-General in Council, with advertence to all the facts of the case, to acquit Mr. Sotheby of a criminal collusion with the subscribing parties to the affidavit, for the purpose of deceiving the Government.

While, therefore, in the explanations now submitted by Mr. Sotheby, in his letter of the 18th instant, the Governor-General in Council has discovered matter in aggravation, rather than extenuation of the circumstances which that gentleman has adverted to, as accidentally exaggerated to his prejudice, it would have become a serious question with the Government, whether to institute legal proceedings against Mr. Sotheby, in conformity with the provisions of

sec.

sec. 28 of 37 Geo. III, cap. 142, to the penalties of which he has undoubtedly exposed himself. Mr. Sotheby could not skreen himself from those penalties, by pleading the licence, even for the period from which it was in force, since that instrument cannot be supposed to have been intended to protect a Company's Servant clandestinely engaged in the pursuits it was meant to legalize.

Adverting, however, to the circumstance, that the fact of Mr. Sotheby's connexion with the house has been established against him by his own acknowledgment on the requisition of Government, the Governor General in Council will not adopt the extreme measure of a legal prosecution under the Act above quoted.

But although the Governor-General in Council has allowed the consideration of Mr. Sotheby's disclosure of facts tending to criminate himself, to have its full weight in the determination above stated, he cannot, consistently with the obligations of his public duty, concede more to the equivocal merit of a confession made, as Mr. Sotheby himself acknowledges, under a belief almost amounting to certainty, that Government was in possession of the facts to which, with his own colouring, he has pleaded guilty.

These facts, the Governor-General in Council observes, involve an offence on the part of Mr. Sotheby of the most serious nature, for the prevention of which the Legislature had deemed it necessary repeatedly to provide, by attaching severe penalties to its commission, as pregnant with the most injurious consequences to the Governments of the Native Princes and disgraceful to the name and character of the English nation in the East. But if usury and extortion, in which light the law regards unauthorized pecuniary dealings of British subjects in general with the Native Princes and their Ministers and Agents, be held as a serious offence by whomsoever committed, how must the degree of that offence be aggravated, when committed by the public servants of the Honourable Company invested with power and influence, and, as in the instance under consideration, in collusion, it is to be feared, with the ruling Minister of the Prince at whose Court they are accredited.

It is in vain, the Governor-General in Council observes, for Mr. Sotheby to argue, that as an Assistant to the Resident he had no political consequence. He was at all times in a situation where, by the absence or demise of his superiors in office, he might suddenly be called to exercise all the functions of the Representative of the British Government at Hyderabad; and it cannot be supposed (as human nature ought never to be exposed to such a trial) that the individual, when so invested with political consequence, could at once divest himself of all bias in favour of the dealings of a commercial house, with the partners of which he was then, or had previously been connected, not only by a common interest in its concerns, but bound to them by the ties of friendship and gratitude for favours conferred, if not actually labouring under pecuniary obligations as a debtor to one of the firm.

With advertence to the inquiries still in progress at Hyderabad, regarding the supposed connexion of the late Resident and his brother with the firm of William Palmer and Co., the Governor-General in Council deems it premature to pronounce any judgment, as to the degree on which Mr. Henry Russell and Captain Charles Russell may have been implicated in the illegal transactions here alluded to. But it has been established, by the declaration of Mr. Sotheby, that three of the members of the late Resident's family, namely, Mr. Sotheby himself, Mr. Russell, formerly of the Madras Engineers, and Doctor Currie, were all engaged, openly or secretly, in partnership with the house of William Palmer and Co. The object, as it was the obvious interest of the house, appears to have been to associate the public officers of the British Residency, or others of the Resident's family, in their pecuniary dealings, thereby acquiring for themselves political influence in the country, not the less powerful, perhaps, because they had thus the means of intimidating those of the public servants of the Company whom they had lured into connexion, which if exposed would have subjected them to punishment and disgrace.

The baneful effect of such a combination, or secret understanding, between the late Residency and the house of William Palmer and Co., has already been

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* Resolution of Governor-General in Council.

felt in its full force at Hyderabad, where there is too much reason to fear that a systematic league of that kind had subsisted for a period, and to a degree which the Governor-General in Council hopes and believes are quite without example.

Independently of the above general considerations, as to the character and consequences of a connexion between the public officers of Government and a commercial house engaged in money-dealings with the natives of this country, it remains to be observed, that the checks which Government can impose on its servants in the Political Department, necessarily exercising at Native Courts the powerful influence which the British Government must be supposed to possess, are few, compared with those it retains over its servants in the other departments of the service, in which a regular gradation of check and control forms an integral part of the system of administration.

With regard to the first class of public functionaries, indeed, the Government must mainly depend on those elevated principles of honour and integrity, which generally distinguish their conduct; and hence, as the reliance on those qualities is the more indispensable, it becomes the more incumbent on the Government to mark its reprobation of any deviation, on their part, from the faithful discharge of their duty.

Viewing, therefore, the conduct of Mr. Sotheby in the various lights above described, the Governor-General in Council would feel that he failed to perform an indispensable act of his public duty, if he allowed a sentiment of mistaken lenity to interfere between the offence and the measurement of infliction it justly entails.

Under this impression, the Governor-General in Council resolves, that Mr. Sotheby be removed from his office of Agent to the Governor-General at Moorshedabad, as unworthy of longer holding a confidential situation under the Government; and that a reference be made to the Honourable the Court of Directors, on the subject of his case for their ultimate decision.

(Enclosure No. 3.)

Letter from Secretary to Government.

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Sir:

1. I am directed to acknowledge the receipt of your despatches of the dates noted in the margin,* and to communicate to you the following observations and instructions.

2. The Governor-General in Council having already deliberately pronounced on the obligation imposed on the house of William Palmer and Co. to produce the accounts required, it would be superfluous to renew the discussion of that question, with reference to the objections again raised in their letter to your address, accompanying the first of your despatches above acknowledged. The grounds on which the Governor-General in Council has judged it necessary to call for the production of detailed accounts, previously to undertaking a settlement of the demands of Messrs. William Palmer and Co., have been already too fully stated to require repetition in this place.

3. The Governor-General in Council remarks, that the period of "a month or two," which in their letter to you, accompanying your despatch of the 21st December last, Messrs. William Palmer and Co. stated as the time "they feared" would elapse before the accounts required could be furnished, has not only passed away without the fulfilment of the expectation thus held out, but at the end of a further month or two, they are still persisting in their solicitation to be exempted from a requisition, which they have repeatedly been told is held to be indispensable.

4. Such procrastination on the part of Messrs. William Palmer and Co. can no longer be allowed; especially when it is considered, that the government of the Nizam is now chargeable with interest on the sums remitted from this Presidency, for the purpose of enabling the Minister to come to a final settlement.

You

* One dated 13th March, and two dated 16th March.

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Letter from Secretary to Government.

You will, therefore, not cease to press for an immediate performance of their promises to produce the accounts.

5. With regard to the accounts of the Aurungabad concern, the Governor-General in Council has learnt with satisfaction, that they have at length been received, and that Messrs. William Palmer and Co. have abandoned the re-transfer adverted to in the fourth paragraph of one of your despatches of the 16th ultimo. On the point stated in the third paragraph of the same despatch, regarding which you solicit the commands of the Governor-General in Council, I am directed to inform you, that you are authorized, without further reference to Government, to pay off the balance under the circumstances supposed, and provided none of the items are open to special objections.

6. The subject of your other despatch of the 16th ultimo does not require any particular observations. The Governor-General in Council concurs with you in opinion, that the circumstances therein reported are conclusive, as to the character of the complaints of injury sustained by the resumption of the assignments alluded to, which it now appears would not have yielded in six or seven months what Messrs. William Palmer and Co. have realized from those which were substituted for them.

I have, &c.

Fort-William,
11th April 1823.

(Signed) G. SWINTON,
Secretary to Government.

(Enclosure No. 4.)

Letter from Resident at Hyderabad. with Enclosure.

To G. Swinton, Esq., Secretary to Government, Fort-William.

Sir:

1. I have the honour to transmit a copy of the reply, received from Sir William Rumbold, to the queries conveyed to him in a separate letter, under the instructions furnished in the nineteenth paragraph of your second despatch of the 15th January.

2. I communicated to Messrs. William Palmer and Co. the intimation contained in the same despatch, of the expectation entertained by Government, that each partner would have answered for himself to those queries; but it has not produced any consequence. I imagine that they are all now sensible that the affidavit is a bad business.

I have, &c.

Hyderabad Residency, Camp, Mulkapoor,
27th March 1823.

(Signed) C. T. METCALFE,
Resident.

To Sir Charles T. Metcalfe, Bart, &c. &c. &c.

Sir:

I have the honour to acknowledge your letter of the 14th February with its enclosures. In reply to such parts of the enclosures which require from me an explanation and disclosure of matters connected with the interests of the firm of William Palmer and Co., I have the honour to state, that the affidavit which has produced the communication, was never intended by me to form a public document, or to be submitted to the consideration of the Supreme Government, but that the same was drawn and transmitted to Lord Hastings, for the purpose of removing from his Lordship's mind certain doubts which he professed to entertain, or was likely to entertain, respecting a particular individual alluded to in a private letter which I received from his Lordship.

I was not apprized by his Lordship, that the affidavit was to be brought to the notice of the Supreme Government, and therefore the document was not drawn with that precision and technical form which would have been attended to, if I had been aware that it would become the subject of public consideration or correspondence; and the letter to Lord Hastings, by which the affidavit was accompanied, sufficiently explained why the declaration was not made more comprehensive. To that letter I beg leave to refer, as affording in substance the explanations now required from me.

Under

Enclosures in Bengal Political Letter, 8 May 1823.

Under these circumstances, I trust that the liberality of the Governor-General in Council will induce him to consider the communication made to Lord Hastings as having been of a private nature, and merely intended to prevent or remove certain impressions on his Lordship's mind.

I have, &c.

Madras, 9th March 1823. (Signed) W. RUMBOLD.

(Enclosure No. 5.)

Letter from Secretary to Government.

To Sir Charles T. Metcalfe, Bart. Resident at Hyderabad.

Sir:

1. I am directed to acknowledge the receipt of your despatch of the 27th ultimo, submitting a copy of a letter from Sir William Rumbold, in reply to the queries which you were desired to put to him under the instructions of the 15th January last.

2. Sir William Rumbold having referred to a private letter addressed by him to the late Governor-General, as containing in substance the explanations now required from him, it was incumbent on him to have furnished a copy of it, or to have repeated the contents, as he must have been aware that the original was not now in India. With regard to the hope expressed by Sir William Rumbold, that the communication made by him to Lord Hastings may be considered as having been of a private nature, and merely intended to prevent or remove certain impressions on his Lordship's mind, I am directed to observe, that as the question involves the character of a public officer of the Government, it is surely no less desirable that similar impressions should be removed from the mind of the Governor-General in Council, if they are not well founded.

3. You will be pleased to communicate the above observations to Sir William Rumbold, to whom the Governor-General in Council concludes you will have conveyed the further queries which you were instructed to propose to each member of the firm, by the instructions of the 29th ultimo.

I have, &c.

Fort-William, 18th April 1823. (Signed) G. SWINTON, Secretary to Government.

(Enclosure No. 6.)

Letter from Resident at Hyderabad.

To G. Swinton, Esq. Secretary to Government.

Sir:

1. My First Assistant, Lieutenant Barnett, reports that Messrs. William Palmer and Co. have been very pressing to him for an advance of money from the Residency Treasury, which he has hitherto very properly refused, there being no such exigency as really requires it.

2. I have instructed Lieutenant Barnett not to make any advance, except in the event of extreme peril to their establishment, and then only to such an extent as the exigency may require.

3. To make advances from the Treasury according to the convenience and wants of Messrs. William Palmer and Co., without a settlement of their claims on the Nizam's Government, and at a time when they are withholding and seeking to evade the delivery of the accounts required of them, would indeed be to make the British Government subservient to their interests, without effecting any object for the benefit of the Nizam's Government.

4. The motives of Messrs. William Palmer and Co. in withholding their accounts, on the false pretence of not having had time to prepare them, are best known to themselves. Whatever these may be, any difficulties that they may now experience will be of their own creation, since all difficulties would be instantly removed by the production of those accounts. Under such circumstances, I cannot consider the authority entrusted to me to relieve their distresses

tresses as applicable to any other than a case of extreme exigency; and even in such a case, I should conceive that any relief granted would be more than they could establish any claim to. They acknowledge that there is no run against them, and no general apprehension in the money-market regarding their affairs, so that their difficulties, if real, arise out of their ordinary transactions, and are attributable to causes which I have before explained.

Enclosures in Bengal Political Letter, 8 May 1823.

Letter from Resident at Hyderabad.

5. The game of Messrs. William Palmer and Co. could not be more delightfully played for them, than by allowing them the use of the Company's Treasury for their occasional convenience, without exacting from them the final settlement of their demands on the Nizam's Government. What they most desire is, that a portion of their loans should be paid off, just such a portion as is suited to their own wants, and that the rest should be allowed to go on at their monstrous rate of interest, with the guarantee of the British Government. In this view of the case, I should doubt the expediency of paying off the balance of the Aurungabad concern, until they conform to the orders issued with a view to the general settlement of their account with the Nizam's Government.

I have, &c.

Hyderabad Residency, Camp, Bund Kinhola, 4th April 1823.

(Signed) C. T. METCALFE, Resident.

(Enclosure No. 7.)

To G. Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

1. In consequence of your despatch of the 31st January, I instructed my First Assistant, Lieutenant Barnett, to avail himself of any opportunity that might present itself, during my absence, to discuss with Rajah Chundoo Loll the redemption of the peshcush.

2. A favourable opportunity having occurred, Lieutenant Barnett skilfully and judiciously availed himself of it; and the result is, that I have now to submit a proposition for that measure on the part of the Nizam's Minister, without having communicated to him any proposition of that nature on the part of the British Government.

3. I therefore beg to be informed, on what terms the redemption is to be effected: i. e., what sum is to be paid for the purchase.

4. The Minister is further anxious to learn, what description of formal instrument will be required from the Nizam in relinquishing the peshcush, and seems to wish that the form of a goozasht, or cession, in the Persian language, with the seal and signature of the Nizam, may be the one adopted.

5. The Minister has not yet submitted his proposition on the subject to the Nizam, but intends to do so, and expects to convince his Highness that it is for his interest and advantage to make the proposal, having satisfied himself that the redemption of the peshcush is the most favourable mode of extricating this Government from its pecuniary embarrassments.

I have, &c.

Hyderabad Residency, Camp, Wareegaon, 6th April 1823.

(Signed) C. T. METCALFE, Resident.

(Enclosure No. 8.)

To G. Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

1. Something passed between the Nizam's minister and my First Assistant, Lieutenant Barnett, during their communications on the subject of the redemption of the peshcush, which I consider it right to report separately, for the information of the Honourable the Governor-General in Council.

Enclosures in Bengal Political Letter, 8 May 1823.

Letter from Resident at Hyderabad.

2. In the course of conversation, Rajah Chundoo Loll observed, that he had formerly received a message regarding the peshcush from his Excellency the late Governor-General. Lieutenant Barnett remarked, that he had never heard of such a message, and asked through whom it had been received. After considerable hesitation, the Minister said that he could not recollect; and, on being further pressed, added, that it might have been through Mr. Russell, or through Sir William Rumbold, he did not recollect which.

3. The following observations occur to me on this assertion.

4. I am not aware that the redemption of the peshcush was thought of before the submission of my report regarding the debts of the Nizam's Government, in April 1821; if not, it follows that no message could have been received on that subject through Mr. Russell, who had departed before that period. It is not to be supposed, that any message was really sent by the late Governor-General through Sir William Rumbold. Either, therefore, the latter gentleman must have pretended that he was entrusted with such a message, or the story is a wanton invention on the part of the Minister for no obvious purpose.

5. Whether Sir William Rumbold has or has not assumed the character of an agent of the late Governor-General, it is clear, from the foregoing circumstance, that he has been so considered by Rajah Chundoo Loll; for otherwise the latter could not have adverted, either truly or falsely, to the receipt of a message through him, as a natural and probable occurrence.

6. I scarcely need call your attention to the embarrassing situation of the ostensible Representative of the British Government, such a belief being entertained by the ruling Minister, especially when it became the Resident's duty to oppose the extortions of that Minister, and the peculations of that supposed Agent and his co-partners. The evidence of such a belief in the Minister's mind furnishes a clew to his proceedings and those of Messrs. William Palmer and Co.

7. At a time when it seemed impossible that Rajah Chundoo Loll could have had any information of the existence of any proposition regarding the peshcush, otherwise than from Messrs. William Palmer and Co., who obtained the earliest intelligence of there being a proposal for its redemption under discussion before the Supreme Government, and were anxious to prevent its success, it was manifest that the Minister was on his guard against such a proposal, and strongly prejudiced against it. I suspected then that Messrs. William Palmer and Co. had poisoned his mind on the subject; and that suspicion is increased, by the declaration reported in this despatch.

8. The information occasionally obtained from Rajah Chundoo Loll, respecting the intrigues of Messrs. William Palmer and Co., comes out in observations inadvertently dropped in conversation, as in the present instance. Whenever he finds that these have attracted notice, he puts himself on his guard against serious inquiry, takes refuge in evasion and equivocation, and has recourse to shiftings and windings which elude pursuit. The day will probably come, when he may speak out more plainly on these matters; but at present his belief of the ascendency of Messrs. William Palmer and Co. is too recent to admit of it, and he is still looking out for changes which he is led to conceive possible: I therefore think it useless to attempt to extract more from him than he lets out spontaneously.

I have, &c.

Hyderabad Residency, Camp, Roza, 8th April 1823. (Signed) C. T. METCALFE, Resident.

(Enclosure No. 9.)

To G. Swinton, Esq., Secretary to Government.

Sir:

1. In consequence of a further very pressing application from Messrs. William Palmer and Co., my First Assistant, Lieutenant Barnett, acting under the instructions with which I had furnished him, has been induced to advance four lacs of rupees to that firm from the Residency Treasury.

2. I

Enclosures in Bengal Political Letter, 8 May 1823.

Letter from Resident at Hyderabad.

2. I entirely approve this proceeding: but in order to guard against the systematic trickery of Messrs. William Palmer and Co., I have instructed Lieutenant Barnett not on any account to make any further advances, until they furnish the accounts required of them, the delivery of which they continue to evade, with false and faithless professions of their submission to the pleasure of the Honourable the Governor-General in Council.

3. I trust that this determination will be approved. I presume that when I received authority to advance money to assist those gentlemen in any embarrassments which might occur to them, it was granted in expectation of their ready obedience to the call made for their accounts. Four months have elapsed, and their compliance with that call is still evaded. In the mean time no progress is made in the reduction of the Nizam's debts, which are moreover increasing from their enormous interest. The British Government is made subservient to the convenience and profit of Messrs. William Palmer and Co., by advancing money to relieve difficulties which arise in the ordinary course of their business; and those gentlemen, whose conduct merits pains and penalties, are chuckling and triumphing at the success of their impositions.

I have, &c.

Hyderabad Residency, Camp, Roza, 9th April 1823. (Signed) C. T. METCALFE, Resident.

(Enclosure No. 10.)

Letter from Secretary to Government.

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Sir:

1. I am directed to acknowledge the receipt of your several despatches of the annexed dates,* and to communicate to you the following instructions and observations on the subjects to which they refer.

2. On the subject of this despatch † I am directed to acquaint you, that the conduct of Lieutenant Barnett as therein described, and your instructions to him are perfectly approved by the Governor-General in Council.

3. The continued evasion by Messrs. William Palmer and Co., of the requisition to produce their accounts, has deprived them of all claim to further consideration You are accordingly desired to signify to them, that you are now prohibited from advancing them a single rupee on any plea whatsoever, until they shall first comply with the call for their accounts.

4. If that declaration should not be speedily followed by the production of the required accounts, it will be necessary to apprize them that unless they engage to deliver the accounts within a given period (say a fortnight or three weeks from the time of notice), the British Government will recommend to the Minister, after making a formal tender of payment, on due authentication of the balance in their favour, to declare the interest on such balance to have ceased from the date so to be specified, and will withdraw from any further concern in the adjustment of their claims, beyond providing the Minister with funds to enable him to fulfil the tender.

5. In the case supposed, therefore, you will require the Minister to make the necessary communication to the house to the foregoing effect, holding in readiness the funds requisite to enable him to discharge the debt, or eventually on their complying with the conditions, such portion of it as may not be suffered to run for a time at a reduced rate of interest, according to the plan authorized by my letter of the 23d November last.

6. This measure, strictly equitable in itself, has become the more necessary, now that the Nizam is subject to the double charge of interest on the amount due to the house and on the sums advanced by the British Government to discharge that debt. It would be much more satisfactory to the Governor-General in Council, that all pecuniary engagements between the Nizam and the house should finally cease, by an adjustment of accounts and payment of the balance, as proposed; but the continued excuses of Messrs. William Palmer and

* Despatches of the 4th, 6th, 8th, and 9th April.

† Despatch, 4th April.

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Letter from Secretary to Government.

and Co., impose on the Government the necessity of adopting the course above prescribed, or suffering its intentions to be defeated by the evasive practices of the house. If it should become necessary to make the declaration above authorized, and to leave the account unadjusted, it will demand all your vigilance and firmness to hinder this state of things from being made the pretence for continued intercourse between the Minister and the members of the firm. All such intercourse, except through the channel of the Resident, must be peremptorily and decidedly prevented.

7. By your despatch of the 9th instant, it appears that, on the pressing solicitation of Messrs. William Palmer and Co., your Assistant, Lieutenant Barnett, acting under your instructions, had consented to advance them four lacs of rupees from the Residency Treasury. Your orders to Lieutenant Barnett to make the delivery of their accounts the indispensable condition of any further advance, are in strict conformity with the instructions now issued to you. The resolution now taken will, it is to be hoped, have the desired effect of bringing their dealings with the Government of his Highness to a speedy close.

8. These despatches* relate to the proposition for redeeming the peshcush. It is extremely satisfactory to the Governor-General in Council to learn that there is a prospect of this scheme taking effect, and that the proposal has come from the Minister himself. There can be little doubt, from what passed at the conference between him and Lieutenant Barnett, that, as reported in your despatch of the 8th September last, the Minister had been secretly put on his guard against such a proposition; but the Governor-General in Council persuades himself, that the influence of the interested party, by whom the Rajah's mind was poisoned on that score, will no longer prevail in counteracting the salutary measures which we desire to introduce.

9. With regard to the arrangement for the redemption of the peshcush, it will be sufficient to observe, that at the rate of six per cent per annum, which it is conceived should be the rate to be assumed, it will require a capital sum of Rupees 1,16,66,666 to redeem an annuity of seven lacs in perpetuity. But this amount will be reduced, by our deducting, in the first instance, the annual payment due to us, under the ninth article of the late treaty, of Rupees 1,20,000 on account of Appa Dessye and the Putwurdhuns. The Governor-General in Council is not informed in what denomination of rupee this payment was fixed; but assuming, what is probably the fact, that the Hyderabad rupee has been taken, the annual balance due to the Nizam on account of the peshcush will be reduced from seven lacs to Rupees 5,80,000, to redeem which, it will require a present payment, calculating the interest as before at six per cent, of rupees 96,66,666. This sum, it is to be hoped, will be sufficient to afford effectual relief to his Highness's Government, and exceeds even what the Minister calculated as necessary. Should, however, there be still a balance of debt due to the British Government, there could be no difficulty in arranging with Chundoo Loll the mode and time of its liquidation.

10. With respect to the peshcush, I am directed to observe, that it has been ascertained by a private reference to the Accountant-General, that it is seven lacs of Hyderabad rupees; but that it is paid in Madras rupees, at the exchange of Hyderabad rupees, 109. 14. 7 per 100 Madras rupees, the amount standing in the books of Fort St. George at Madras Rupees 6,30,630. 10.

11. In the arrangement with the Minister, however, the simplest mode will be to make the adjustment in Hyderabad rupees, supposing always that the payment to us of Rupees 1,20,000 has been fixed in that coin. The amount, therefore, to be offered to the Minister in payment of the peshcush, with relinquishment of our demand for the annual payment above-mentioned, will be Hyderabad Rupees 96,66,666.

12. You will further be pleased to take into your consideration the expediency of comprehending in the proposed arrangement, the adjustment of the sum due by the Nizam to the British Government on account of Revenues of districts made over to his Highness during and after the late war, amounting, according to the estimate contained in your despatch of the 12th of February last, to about Rupees 18,90,000; so as to bring all accounts of pecuniary transactions between the two Governments to a close.

13. The

* Despatches of the 6th and 8th April.

Enclosures in Bengal Political Letter, 8 May 1823.

Letter from Secretary to Government.

13. The Governor-General in Council is not aware of any substantial objection to the form of instrument by which the Minister, as stated in the fourth paragraph of your despatch of the 8th instant, is desirous that the peshcush should be relinquished, provided the conditions are set forth, and no expressions admitted unsuitable to the relative condition of the two States. As the arrangement, however, involves a relinquishment on our part also, it will become necessary, if that form be observed, that a similar instrument should be executed by us in favour of the Nizam. On the whole, therefore, it may be more convenient for an engagement to be drawn up, briefly stating the grounds of the arrangement, and the relinquishment of all claims on either side, in consideration of the given sum to be paid by the British Government to his Highness, for the relief of the pecuniary embarrassments of the State. On this instrument being duly ratified by the Nizam, a counterpart will be executed by the Governor-General in Council, and the instruments be exchanged. You will not, however, press the adoption of this form, if the Nizam's Government should manifest a decided preference for the other.

I have, &c.

Fort-William, 24th April 1823.

(Signed) G. SWINTON, Secretary to Government.

(Enclosure No. 11.)

Letter from Resident at Hyderabad.

To G. Swinton, Esq., Secretary to Government.

Sir;

1. The Nizam's Minister, after much unnecessary delay, has at length produced the accounts of his transactions with Messrs. William Palmer and Co.

2. These accounts are very unsatisfactory, and require much further explanation. It appears, however, from them, that most of the persons in any way connected with that firm, and more especially the followers, retainers, and private servants of Mr. William Palmer, receive a monthly allowance from the Nizam's Government, on which, of course, as in other charges, interest is taken at the rate of twenty-five per cent. per annum.

3. I have thought it necessary to report this, as an additional proof of the criminal connection of Chundoo Loll with Messrs. William Palmer and Co.; undoubtedly criminal on his part, as including a total abandonment of the interests of the State to their unbounded and remorseless cupidity.

4. It has appeared to me to be proper to intimate to Messrs. William Palmer and Co., that from the time when they received notice of the prohibition of future transactions and intercourse with the Nizam's Ministers, otherwise than through the Residency, their further charges must be limited to interest, and that all salaries, allowances, or pensions, heretofore paid through them, must cease to be paid through that channel. I have requested them to furnish me with a detailed statement of these disbursements, in order that I may take the pleasure of the Honourable the Governor-General in Council and the Nizam's Government thereon.

5. I have not at present any reason to suppose that Rajah Chundoo Loll has held any communication with Messrs. William Palmer and Co. since he promised to refrain. That he has for a long time past imagined his personal interests to be in union with theirs, seems undeniable; and it is probable that this feeling may still exist. Of this I think the following is a symptom. On being asked who the persons were, mentioned above as receiving allowances from the Government, being for the most part dependants of Messrs. William Palmer and Co. The Minister replied, that they were all servants of the State (molaziman i Sirkar).

I have, &c.

Hyderabad Residency, Camp, Aurungabad, 16th April 1823.

(Signed) C. T. METCALFE, Resident.

Enclosures in Bengal Political Letter, 8 May 1823.

(Enclosure No. 12.)

To G. Swinton, Esq., Secretary to Government.

Sir:

Letter from Resident at Hyderabad.

With reference to the sixth paragraph of your despatch of the 29th ultimo, I have the honour to inform you, that the deed of release to Mr. Currie, signed by Mr. H. Sotheby, as one of the partners of the house of William Palmer and Co., was at Hyderabad about September last. The document may or may not be procurable now; but two gentlemen who have seen it are known to me, and would, I conclude, be ready, if it were necessary, to depose to the fact.

I have, &c.

Hyderabad Residency, Camp, Jaulna, 22d April 1823. (Signed) C. T. METCALFE, Resident.

Letter from Resident at Hyderabad.

To G. Swinton, Esq., Secretary to Government.

Sir:

With reference to the seventh and eighth paragraphs of your despatch of the 29th ultimo, I have the honour to inform you, that I have addressed a separate letter to each of the partners of the house of William Palmer and Co., the native partner, Bunketty Dos, excepted, with a set of questions similar to those proposed to Mr. Sotheby.

I have, &c.

Hyderabad Residency, Camp, Jaulna, 22d April 1823. (Signed) C. T. METCALFE, Resident.

Letter from Resident at Hyderabad.

To G. Swinton, Esq., Secretary to Government.

Sir:

1. With reference to the ninth paragraph of your despatch of the 29th ultimo, I have the honour to report, that as yet I have no further information to communicate on the subject therein noticed.

2. Reports are strong of Sir William Rumbold's deriving large advantages from the Nizam's Minister, in monthly allowances, expenses, and presents; and I am inclined to believe, considering all things, that there is foundation for those reports. But I can only state this as a suspicion or persuasion, which may be erroneous, for I have no means of proving the fact.

3. An application to the Nizam's Minister, without shewing him that the truth was known and undeniable, I apprehend would be devoid of effect; for if there is any point of honour with the most abandoned of natives, it is that of not betraying those to whose avidity they have ministered.

4. I am not, however, inattentive to the subject, and as soon as I possess any certain information it shall be submitted.

I have, &c.

Hyderabad Residency, Camp, Jaulna, 22d April 1823. (Signed) C. T. METCALFE, Resident.

Bengal Political Letter, 16 June 1823.

POLITICAL LETTER *from* BENGAL,

Dated 16th June 1823.

1. Our last despatch to your Honourable Court on the subject of Hyderabad affairs was dated the 8th ultimo.

2. We have now the honour to submit, for the notice of your Honourable Court, the enclosed copies of despatches from the Resident subsequently received, and of our instructions in reply; and we shall here briefly advert to the several subjects contained in them, referring your Honourable Court to the documents themselves for detailed information.

3. As

3. As the despatches above adverted to form a regular series, in continuation of those already submitted to your Honourable Court, they are numbered in the packet according to priority of date; but in this summary notice of their contents and of our proceedings, we propose to refer to them as they are severally connected with the particular questions still under discussion. Bengal Political Letter, 16 June 1823.

4. The despatches here referred to * complete the history and adjustment of the accounts of the Aurungabad concern, which were finally closed, as reported in the Resident's despatch of the 24th ultimo, by the payment of a balance of Rupees 11,80,180. The detailed accounts of that transaction will be found as enclosures in the Resident's despatch of the 19th April.† These having been acknowledged by the Minister to be correct, we authorized the Resident to discharge the amount, after deducting the advance previously made of four lacs, as already reported to your Honourable Court.

5. The despatches noted in the margin‡ contain the Resident's reports of his further proceedings, with regard to the still unadjusted accounts of the firm of William Palmer and Co. with the Minister.

6. Your Honourable Court will not fail to observe the continued shuffling and evasive conduct of the house in the production of those accounts. They have at length been delivered to the Resident; but in his despatch of the 20th ultimo,§ reporting the circumstance, Sir Charles Metcalfe remarks, that they are for the most part unintelligible, and seem to have been prepared with a view to cloak, rather than to display the transactions which they profess to describe. We trust that your Honourable Court, for the reasons stated in that despatch, will approve of our instructions in reply, authorizing the Resident to adopt the plan suggested by him, of paying off the bulk of the debt without further delay, reserving such a sum as he may consider requisite to cover possible deductions on account of objectionable charges.

7. In our address of the 8th ultimo, we had the honour to advert to the proceedings instituted, for the purpose of ascertaining the fact of the connexion which there was such strong reason to presume, had subsisted between the house of William Palmer and Co. and the members of the late Residency, including Mr. Russell himself. We now beg to solicit the attention of your Honourable Court to the despatches noted in the margin,‖ a perusal of which will, we have no doubt, impress your Honourable Court with the conviction we have expressed to Sir Charles Metcalfe in the instructions of the 6th instant. No reply to the several letters addressed by the Resident to Sir William Rumbold has yet been received; but your Honourable Court will observe, that we have directed Sir Charles Metcalfe to call on him for an immediate answer. We only defer until the final settlement of the accounts, and termination of all connexion between the house and the Government of his Highness the Nizam, a decision regarding the course to be pursued towards the members of the firm; especially the European partners, Sir William Rumbold and Mr. Lamb. Our present feeling is, that neither of these individuals should be allowed to remain at Hyderabad. Sir William Rumbold is now absent at Madras, and it is rumoured that he proposes to return with his family to England. The circumstances of Mr. Lamb's case have been the subject of several reports to your Honourable Court in our letters from the General Department in 1818-19. Your orders regarding his being required to return to England, which were not strictly enforced at the time, have not been overlooked; and we can see little in his late conduct, as a partner of the house of William Palmer and Co., to induce us to grant him any further extension of the indulgence, which we conceive he has hitherto perverted to so bad a purpose.

8. The despatches from the Resident, dated 10th and 12th May,¶ contain statements of the British officers and other British subjects in the military service of the Nizam. To these statements, which in common with those from the other Residencies, have already been submitted to your Honourable Court in our address of the 10th instant, we beg respectfully to refer your Court, for the detailed lists of all British subjects so employed, with the allowances drawn

* Enclosures Nos. 1, 3, 5, 7, 18, 19, and 20.
‡ Enclosures Nos. 2, 4, 5, 6, and 18.
‖ Enclosures Nos. 2, 6, 12, 13, 14, and 15.
† Enclosure No. 1.
§ Enclosure No. 18.
¶ Enclosures Nos. 8 and 10.

Bengal Political Letter, 16 June 1823.

drawn by them from the Government of his Highness the Nizam. In our instructions to the Resident in reply,* your Honourable Court will observe, that we have noticed some allowances which appear to us to call for remark and further inquiry. We shall have the honour to report our further proceedings on the cases here alluded to, when we shall have received the additional information now called for.

9. We have also received from the Resident a despatch dated the 18th ultimo, containing a statement of monthly gratuities and pensions paid by the Nizam to British subjects and others of European extraction which has attracted our serious notice, as exhibiting the highly culpable conduct of the Minister in the wasteful expenditure of the impoverished resources of the state. Our observations to the Resident, in reply, are so full, that we deem it unnecessary to offer any remarks in this place, trusting that the resolution we have taken with respect to all such grants, will be honoured with the approbation of your Honourable Court. Copies of the despatch above referred to, and of our instructions in reply,† are transmitted as numbers in the packet.

10. The Resident's despatch of the 10th ultimo,‡ contains his reply to our instructions of the 15th January last, calling on him to report the particulars of the large pecuniary benefits said to have been received by Sir William Rumbold, from the Nizam's Government. Your Honourable Court will perceive from that report, the hopelessness of any attempt to discover the truth by an application to Chundoo Loll.

11. We have deemed it useless to press the inquiry further; but your Honourable Court will not fail to remark, that if Sir William Rumbold has not participated in the bounty of Rajah Chundoo Loll, he forms a singular exception to the other members of the house, who have all, in a greater or less degree, profited by the Minister's liberality.

We have, &c.

Fort-William, 16th June 1823.

(Signed) J. ADAM,
EDW. PAGET,
JOHN FENDALL,
J. H. HARINGTON.

(Enclosure No. 1.)

To G. Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

1. I have now the honour to submit copies of the accounts of the Aurungabad concern furnished by Messrs. William Palmer and Co., Nos. 1 to 10; and a separate paper, No. 11, containing further explanations respecting particular items.

2. The charges, for the most part, are on account of the Nizam's army, and so far unobjectionable.

3. No. 3 contains a separate account; of which, in addition to the explanation furnished by Messrs. William Palmer and Co., I have to offer the following. It appears that Rupees 3,00,000, due from the Nizam's Government on account of surplus advances on our part for peshcush, was paid to the Resident by Messrs. William Palmer and Co. in bills on Aurungabad. The account, it is said, was made over to the paymaster at Jaulna, for the Company's troops at that station.

4. Deo Chund, in whose name several payments appear, is described as the Mootasuddee of the Nizam's Government, who attended to payments and kept accounts in the Aurungabad establishment.

5. The payments at Hyderabad on the 7th and 11th of November 1821, are re-payments of the amount of a bill which I authorized the Paymaster of the Nizam's troops at Aurungabad to draw on the Residency, when Messrs. William Palmer and Co. stopped payment at that place, on account, as they said, of the want of funds from the Nizam's Government; thereby proving the inutility to the Government of their contract.

6. The

* Enclosure No. 11. † Enclosures Nos. 16 and 17. ‡ Enclosure No. 9.

Enclosures in Bengal Political Letter, 16 June 1823.

Letter from Resident at Hyderabad.

6. The correctness of these accounts is acknowledged by the Nizam's Minister.

7. Several items, it will be observed, are on account of guards, cattle, and other establishments belonging to the Government, in attendance on Messrs. William Palmer and Co. This requires some notice. The members of the firm of Messrs. William Palmer and Co. (Sir William Rumbold and Mr. William Palmer in a greater degree than others) have been attended on all occasions by guards, cattle, and other establishments belonging to the Nizam's Government, either permanently or on requisition. The extent to which the practice was carried is indescribable. A message from Sir William Rumbold or Mr. William Palmer for ten or twenty elephants would be as readily attended to by the minister, Chundoo Loll, as one from his Highness the Nizam, if not more so. Sir William Rumbold, on his late journey to Madras, as well as on all former like occasions, was accompanied by a very large travelling establishment furnished by the Nizam's Government. The same privilege was always asserted by Mr. William Palmer when he moved, and much of the materials for some of that gentleman's entertainments were provided from the same source. His servants, and his servants' servants, might be seen parading on the Nizam's state elephants; and the approach to the Residency has frequently been obstructed, or rendered dangerous to those who use carriages and horses, by the concourse of elephants belonging to the Government assembled at Mr. William Palmer's gateway for his private purposes. Those gentlemen, too, of the European society, who were specially patronized by Messrs. William Palmer and Co., and chose to accept the favour at their hands, were furnished by the Nizam's Government with guards, cattle, &c., through their application, their influence being thus ingeniously increased at the Nizam's expense. These things cease with the discontinuance of their intercourse with the Nizam's Ministers; and it is one of the advantages of this measure, that it will put a stop to practices which were very disgraceful and disgusting. It is impossible to convey an adequate idea of the subserviency of the Nizam's Minister in these respects, or the unconscionable abuse of it by Messrs. William Palmer and Co.

8. The rate of interest not being specified in the enclosed accounts, Messrs. William Palmer and Co. were called on for explanation. These gentlemen formerly pretended, that the interest charged in the Aurungabad accounts was eighteen per cent. per annum, and that they had a commission for agency of six per cent. per annum. The absurdity of such a commission as they pretended to have, was too glaring to be persisted in, and this pretence could not stand the test of an investigation of accounts. It is, therefore, abandoned, and they now admit the truth in the following terms, still however attempting to disguise it by vague and illusive explanations. "We beg to state, that our "charge of interest, of agency, and for the collection of the assignments, given "to us on different and distant districts, in re-payment of our advances to the "troops, have been included under one general denomination of interest, and "was collectively fixed at two per cent. per month, and was equally chargeable "to the credit of either party." This admission betrays the deliberate mis-representation of their former assertion, and reconciles the difference between them and Chundoo Loll, who always declared that the interest was two per cent. per mensem; and that there was no foundation for Messrs. William Palmer and Co.'s confused statement about interest, agency, &c.

9. I beg the instructions of the Honourable the Governor-General in Council as to the payment of the balance of the Aurungabad accounts; whether it is to be conditional on the production of the other accounts, or not so.

I have, &c.

Hyderabad Residency, Camp, Seendra, 19th April 1823. (Signed) C. T METCALFE, Resident.

No. 1.*

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and CO.

Dr. *Cr.*

H. 1233.— F. 1227:		Rupees. A.	Rupees. A.
	To our bills on Pursotum Doss, on following dates:		
	13th Rujeb, one bill for -	60,000 0	
	15th Rujeb, one do. - -	40,000 0	
	21st Rujeb, one do. - -	50,000 0	
	26th Rujeb, one do. - -	20,000 0	
	2d Shabaun, one do. at 25 days' date - - - - -	10,000 0	
			1,80,000 0
	The above five bills were sent through Mr. H. Russell to Major R. Pitman.		
Shabaun 5.	Our bill on Jumna Doss, sent at 25 days' date, sent to Major Pitman by Mr. Russell -		20,000 0
24.	Cash paid Massalchee and two others, one month's wages each - -	18 0	
	Paid Sheikh Meean Soobadar -	200 0	
			218 0
Rumzaun 6.	Paid - do. - do. - - - -		494 0
9.	Paid Major Pitman's draft on Pursotum Doss, dated 24th Shabaun, for -	35,765 8	
	One do. as above, dated 2d instant.	32,676 10	
	One do. do. - 6th do. -	40,223 0	
			1,08,665 2
8.	Paid Major Pitman's bill on ourselves - -		5,400 0
12.	Paid - do. - on his receipt - -		30,000 0
13.	Paid for feed of elephants -	600 0	
	Paid Deo Chund Mootsuddee, three months' pay - - -	294 0	
			894 0
14.	Paid Mahomed Daood Muhwut - -		11 0
15.	Paid Mahomed Ghalib Furash - -		7 0
16.	Paid Major Pitman's draft on us - - -		1,31,000 0
17.	Our bill on W. Palmer and Co. of Hyderabad in favour of Major Pitman for -		3,000 0
18.	Cash paid Mahomed Dayun Sirban - -		100 0
19.	Do. Major Pitman's draft on us - - - - -	30,000 0	
	Our bill on Poonah for 9,700 Ankosee rupees, at 9½ per cent. -	10,629 11¾	
			40,629 11¾
23.	Cash paid Major Pitman on his receipt -		20,000 0
24.	Do. Mahomed Dayun - -	200 0	
	Do. three Massalchees, their pay -	18 0	
			218 0
29.	Do. Major Pitman on his receipt - - -		25,000 0
Shuwaul 1.	Do. the following muhwats, *viz.*		
	Fauzdar Khan's - -	220 1	
	Kyser Jung's - - -	184 12½	
	Ameen-ool-Moolk's - -	130 11½	
	R. Chundoo Loll - -	196 13¼	
			732 6¼
3.	Cash paid Sheikh Meean Soobadar, two months' pay - - - - - - - -		1,302 0
5.	Do. Mahomed Dayun Sirban - -		100 0
	Carried forward - -		5,67,771 4

* NOTE.—*The accounts of Messrs. Wm. Palmer & Co. are printed page for page from the MSS. The additions of the columns are sometimes incorrect, which is most probably ascribable to numerical errors in the transcription of the items.*

No. 1.—(*continued.*)

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co..

Dr. *Cr.*

H. 1233.— F. 1227:		Rupees, A.	Rupees. A.
	Brought forward -		5,67,771 4
Shuwaul 6.	To Cash paid Captain Parker on Major Pitman's receipt - - - - - -		35,000 0
9.	Do. Major Pitman on his receipt - -		20,000 0
11.	Do. Rajah Bhowanee Purshad Sirban - - - - -	100 0	
	Do. Mahomed Daood Muhwut -	11 0	
	Do. four Sirbans - -	32 0	
	Do. three do. of R. Bhowanee Purshad - - - - -	23 0	
			166 0
	A bill on Poonah for 9,532 Ankosee rupees at 8¼ to 9 per cent. - - - - -		10,359 11
	Transferred on account of pay and pensions, on 19th Rumzaun, *viz.* to		
	Major Elliot - - -	218 2	
	—— Fraser - - -	400 0	
	Captain James Grant -	1,500 0	
	Mr. C. McDonald - -	500 0	
			2,618 2
14.	Cash paid sundries as follows, *viz.*		
	Bhowanee Purshad for elephant charges - - - - -	100 0	
	Rajah Ram for camels - -	60 0	
	Mahomed Ghalib Furash -	11 0	
	Fauzdar Khan's man - -	107 13	
	Kyser Jung's man - -	99 3	
	Ameen-ool-Moolk's man -	110 2¾	
	Cart-hire and elephant charges	126 2	
	Elephant and road charges -	1,000 0	
			1,614 4¾
15.	Cash paid Major Pitman on his receipt - - - - -	20,000 0	
	Do. Deo Chund Mootsuddee -	293 10	
			20,293 10
25.	Cash paid Major Pitman on his receipt - -		32,000 0
26.	Do. - do. - do. - - -		35,000 0
27.	Do. - do. - do. - - -		25,000 0
28.	Do. Captain H. Robinson at Jaulnah, on Major Pitman's receipt - - - -		47,143 0
29.	Interest to this date and agency charges -		26,566 11¼
	Rupees		8,23,532 11

H. 1223.— F. 1227.		Rupees. A.	Rupees. A.
Shuwaul 29.	By Balance due to us - - - -		8,23,532 11
	Rupees		8,23,532 11

Aurungabad,
29th Shuwaul, H. 1233—F. 1228.

(Signed) W. PALMER and Co.
(Errors excepted.)

No. 2.

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and CO. *of AURUNGABAD.*

Dr.

1813.			Rupees.	A.
Sept.	3.	To balance of last Account	8,23,532	11
	7.	To Cash paid Lolla Deo Chund	80	0
	10.	Do. - on Major Pitman's receipt	1,00,000	0
	26.	Our bill on Hyderabad favour of Major Pitman, for Rupees 5,000, less exchange, 1 per cent.	4,950	0
	28.	Cash paid Lolla Deo Chund	164	7½
Oct.	1.	Do. on Major Pitman's receipt	60,000	0
	12.	Do. - do. - do -	1,20,000	0
	25.	Do. - Captain Parker do.	13,000	0
	27.	Do. - Lolla Deo Chund	100	0
Nov.	1.	Do. - Captain Parker, per receipt	35,000	0
	9.	Do. - do.	16,000	0
	11.	A bill on Bombay for By. Rs. 3,000, at 12¼ per cent.	3,370	14
	15.	Our bill on Hyderabad for Rupees 2,500, less difference of exchange	2,462	8
	16.	Cash paid Captain Parker on his receipt	25,000	0
	18.	Do. - Lolla Deo Chund	100	2
	28.	Do. - Captain Parker on his receipt	60,000	0
	30.	A bill on Bombay for By. Rs. 6,608 and exchange, on Captain Parker's receipt	7,458	13½
Dec.	4.	Cash paid on Captain Parker's receipt	25,000	0
	8.	Do. - do.	10,000	0
	10.	Do. - Lolla Deo Chund Mootsuddee	200	2
	11.	Do. - Captain Parker on his receipt	6,000	0
	13.	Do. - do.	2,000	0
	21.	Do. - do.	60,000	0
	26.	Transferred to Messrs. Palmer and Co. of Hyderabad on account of following:		
		Captain Davies - - 1,500 0		
		——— Grant - - 1,000 0		
		——— Patterson - - 500 0		
		Major Elliot - - - 400 0		
		——— Fraser - - - 400 0		
		Mr. C. McDonald - - 1,950 0		
		Mrs. Kelly - - - 800 0		
		—— Ellis - - - 150 0		
		Mr. Hastings Kelly monthly instalment on Captain Parker's receipt - - - 50 0		
			6,750	0
	28.	Cash paid Captain Parker on his receipt	12,000	0
	30.	Do. - Lolla Deo Chund on do.	200	2
1819. Jan.	2.	Do. - Captain Parker on his receipt - - - 70,000 0		
		A bill for Nagpore Rs. 10,530 and exchange on do. - - - 11,805 2¾		
			81,805	2¾
	4.	Cash paid on Captain Parker's receipt 20,000 0		
		Bill on Bombay for Bombay Rupees 60,017 8, exchange, &c. for payment of stores, on Captain Parker's receipt - - - 68,194 14		
			88,194	14
		Carried forward - Rupees	15,63,369	12¾

Cr.

1819.		Rupees.	A.	Rupees.	A.
	By sums received from Raee Chotum Loll on following dates:				
	23d September 1818 - -	2,01,942	0		
	24th do. - - - -	33,152	0		
	26th do. - - - -	12,255	0		
	27th do. - - - -	77,651	0		
	15th December - - -	83,379	0		
	20th do - - - -	60,784	0		
	30th do. - - - -	3,000	0		
	31st do. - - - -	32,854	0		
	2d January, 1819 - - -	40,900	0		
	4th do. - - - -	15,950	0		
	9th do. - - - -	11,000	0		
	10th do. - - - -	10,584	0		
	12th do. - - - -	4,150	0		
	13th do. - - - -	3,000	0		
	14th do. - - - -	34,339	0		
	16th do. - - - -	60	0		
	18th do. - - - -	25,000	0		
				6,50,000	0
	By sums received from Karee Moongee Wunkut Rao on following dates:				
	28th November 1818 - -	3,528	0		
	30th do. - - - -	30,550	0		
	1st December - - -	9,775	0		
	2d do. - - - -	4,200	0		
	3d do. - - - -	5,500	0		
	4th do. - - - -	13,097	0		
	5th do. - - - -	4,750	0		
	8th do. - - - -	2,900	0		
	9th do. - - - -	750	0		
	8th do. - - - -	12,700	0		
	14th do. - - - -	48,975	0		
	27th do. - - - -	23,775	0		
	29th do. - - - -	7,500	0		
	2d January 1819 - - -	18,725	0		
	3d do. - - - -	12,500	0		
	5th do. - - - -	11,000	0		
	7th do. - - - -	7,000	0		
	9th do. - - - -	9,000	0		
	22d December 1818 - -	6,000	0		
	18th January 1819 - - -	900	0		
	22d do. - - - -	23,500	0		
	25th do. - - - -	1,500	0		
	27th do. - - - -	10,000	0		
	30th do. - - - -	3,300	0		
	2d February - - -	1,000	0		
	6th do. - - - -	10,200	0		
	8th do. - - - -	16,280	0		
	9th do. - - - -	9,000	0		
	Carried forward - Rupees	3,07,905	0	6,50,000	0

No. 2.—(*continued.*)

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co. *of Aurungabad.*

Dr. *Cr.*

1819.		Rupees. A.	Rupees. A.
	Brought forward - Rupees		15,63,369 12¾
Jan. 9.	To Cash paid on Captain Parker's receipt -		30,000 0
11.	A bill on Chanda for Nagpore Rs 24,000 and exchange - - - - - - - -		26,906 6½
12.	Cash paid on Captain Parker's receipt - -		15,000 0
13.	A bill on Chanda for Nagpore Rs, 9725 and exchange - - 10,633 10		
	Cash paid on Captain Parker's receipt - - - - - 31 455 13		
			42,089 7
15.	Do. do. do. - - -		35,000 0
16.	Transferred to William Palmer and Co. of Hyderabad on Captain Parker's receipt on account following:		
	Captain Grant - - - -	1,000 0	
	—— Patterson - - - -	500 0	
	Major Elliot - - - -	400 0	
	—— Fraser - - - -	400 0	
	Captain Larkins - - - -	200 0	
	Mr. C. McDonald - - -	800 0	
	Captain J. Larkin - - -	200 0	
	Mrs. Ellis her pension - -	150 0	
	Mr. Kelly, monthly instalment -	50 0	
			3,700 0
19.	Two bills for Nagpore Rs. 19,460 and exchange, on Captain Parker's receipt for - - - -		21,250 13½
21.	Cash paid on Captain Parker's receipt - - -		30,000 0
	Our bill on Hyderabad for Rs. 4,090 14¾ favour of Mr. H. Russell, less difference of exchange - - - - - - -		4,059 8¾
24.	Cash paid on Captain Parker's receipt - -		20,000 0
26.	Transferred on do. - - - - -		4,200 0
27.	Do. - do. - - - -		4,160 0
28.	Do. on Captain Parker's receipt - -		33,000 0
	Do. Lolla Deo Chund - - - -		200 2
Feb. 2.	Do. on Captain Parker's receipt - - -		5,000 0
6.	Do. - do. - - - - - -		6 905 0
11.	Do. - do. - - - - - -		25,000 0
13.	Transferred on do. - - - - -		4,200 0
14.	Cash paid on do. - - - - - -		35,000 0
15.	Transferred on account of following persons on Captain Parker's receipt.		
	Captain E. Davis - - - -	2,000 0	
	—— Grant - - - -	600 0	
	—— Larkin - - - -	100 0	
	Major Elliot - - - -	400 0	
	—— Fraser - - - -	400 0	
	Mr. McDonald - - - -	800 0	
	Mrs. Ellis, her pension - - -	150 0	
	Lieutenant Kelly, monthly instalment	50 0	
	Captain Larkin - - - - -	100 0	
			4,600 0
18.	Cash paid Captain Parker on his receipt - -		30,000 0
	Three bills for Nagpore Rupees 32,086 14 and exchange, on Captain Parker's receipt -		34,676 5½
22.	Cash paid on do. - do. - - -		20,000 0
23.	Do. - do. - do. - - -		20,000 0
25.	Balance of Interest to this date - - -		99,901 15½
		Rupees	21,18,219 7½

1819.		Rupees. A.	Rupees. A.
	Brought forward - Rupees	3,07,905 0	6,50,000 0
	By sums received from Karee Moongee Wunkut Rao, on following dates:		
	11th February 1819 - - -	25,100 0	
	17th do. - - - - -	16,525 0	
	24th do. - - - - -	10,000 0	
	13th do. - - - - -	7,500 0	
	15th do. - - - - -	5,000 0	
	19th do. - - - - -	8,000 0	
	14th do. - - - - -	9,000 0	
			3,89,030 0
	By balance due to us - - -		10,79,189 7½
		Rupees	21,18,219 7½

Aurungabad,
25th February 1819.

(Signed) WM. PALMER and Co.
(Errors excepted)

No. 3.

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and CO.

Dr.

1819.		Rupees.	A.	Rupees.	A.
Feb. 26.	To Balance of last Account			10,79,189	7½
27.	To Cash paid Deo Chund			200	2
28.	Do on Captain Parker's receipt			20,000	0
Mar. 1.	Do. do. do.	22,000	0		
	Five bills on Jaulnah, per do.	35,000	0		
				57,000	0
	Transferred to Karee Moongee and Co. for cash advanced by him on 8th February to Ghoodoo Pundit on receipt			100	0
13.	Cash paid Captain Parker on do.			40,000	0
15.	Do. do. do.			20,000	0
17.	Do. do. do.			20,000	0
	Transferred on Captain Parker's receipt, on account of the undermentioned, to W. Palmer and Co. of Hyderabad:				
	Captain Davis	2,000	0		
	—— Grant	600	0		
	Mr. McDonald	800	0		
	Major Fraser	400	0		
	—— Elliot	400	0		
	Captain Hollis	1,000	0		
	Mrs. Ellis, her pension	150	0		
	Mr. Kelly, monthly instalment	50	0		
				5,400	0
19.	Cash paid Captain Parker on receipt			20,000	0
22.	A bill on Chanda for Nagpore Rs. 19,510 exchange, &c.			20,945	15
24.	Transferred to W. Palmer & Co. of Hyderabad on Captain Parker's receipt	4,200	0		
	One bill on Chanda and exchange	11 063	5¾		
				15,263	5¾
21.	Transferred to W. Palmer and Co. of Hyderabad for their bill on Bombay for By. Rs. 2,340 granted to H. Russell, Esq., and exchange			2,706	5¼
29.	Cash paid Captain Parker on his receipt	3,000	0		
	Do. Lolla Deo Chund	200	2		
				3,200	2
April 1.	Do. Captain Parker on his receipt			40,000	0
5.	Do. do. do.			40,000	0
6.	Do. do. do.			43,000	0
8.	Do. do. do.			30,000	0
9.	Do. do. do.			30,000	0
13.	Two Hoondies for Nagpore Rs. 29,125 2, and exchange			31,328	6
28.	Cash paid Lolla Deo Chund			200	2
May 1.	Do. Captain Parker on receipt			70,000	0
	Carried forward - Rupees			15,88,573	13½

Cr.

1819.		Rupees.	A.	Rupees.	A.
	By sums received from Raee Chotum Loll on following dates, *viz.*				
	26th February 1819			51,991	2
	1st March			31,050	0
	4th do.			15,660	0
	6th do.			13,000	0
	8th do.			9,790	0
	14th do.			7,100	0
	21st do.			10,552	0
	23d do.			15,403	0
	24th do.			12,556	0
	25th do.			575	0
	28th do.			9,600	0
	29th do.			7,725	0
	30th do.			4,900	0
	31st do.			14,775	0
	2d April			7,000	0
	3d do.			3,000	0
	4th do.			23,485	1½
	5th do.			4,850	0
	6th do.			5,800	0
	7th do.			1,400	0
	8th do.			6,579	0
	9th do.			12,291	0
	10th do.			7,537	12½
	12th do.			8,775	0
	13th do.			2,642	0
	14th do.			1,400	0
	15th do.			3,566	0
	17th do.			1,469	0
	18th do.			1,285	8
	12th March			200	0
	21st April			4,042	8
	24th June			2,51,952	3
	26th do.			2,400	0
	7th July			20,000	0
	8th do.			25,647	13
				6,00,000	0
	By sums received from Karee Moongee Wunkut Rao, on following dates, *viz.*				
	24th February 1819			1,700	0
	1st March			9,270	0
	8th February			100	0
	1st March			7,817	8
	2d do.			10,000	0
	3d do.			26,000	0
	8th do.			5,000	0
	11th do.			44,210	0
	14th do.			8,466	0
	20th do.			46,000	0
	Carried forward - Rupees			1,58,563	8—6,00,000	0

No. 3.—(*continued.*)

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.

Dr.

1819.		Rupees. A.	Rupees. A.
	Brought forward - - -		15,88,573 13½
May 2.	To Our bill on Hyderabad for Hy. Rs. 26,903 less exchange - - - - - -	26,900 5	
5.	Cash paid Captain Parker on receipt - -	30,000 0	
11.	Do. - do. - - - - - -	40,000 0	
17.	Transferred to W. Palmer and Co. of Hyderabad on Captain Parker's receipt, &c. on account of the under-mentioned:		
	Major Woodhouse - - -	4,200 0	
	Captain Hollis - - - -	1,000 0	
	Major Fraser - - - -	400 0	
	—— Elliot - - - - -	400 0	
	Captain Davies - - - -	1,500 0	
	—— Grant - - - - -	600 0	
	Mr. Kelly - - - - -	200 0	
	Mrs. Ellis - - - - -	150 0	
	Mr. H. Kelly, monthly instalment	50 0	
			8,500 0
15.	Transferred on Captain Parker's receipt - - -		1,000 0
26.	Cash paid Lolla Deo Chund - - - -		200 2
	Our bill on Hyderabad for Rs. 41,114 6, or -		41,006 7
June 1.	Cash paid Captain Parker on receipt - -		1,00,000 0
3.	Do. - do. - do. - - -		20,000 0
4.	Do. - do. - do. - - -		20,000 0
6.	Do. - do. - do. - - -		50,000 0
11.	Do. - do. - do. - - -		30,000 0
14.	Do. - do. - do. - - -		30,000 0
25.	Do. - Lolla Deo Chund - - - -		200 2
12.	Transferred on Captain Parker's receipt - -		269 0½
July 1.	Cash paid do. - do. - - -		50,000 0
6.	Do. - do. - do. - - -		35,000 0
	Transferred do. - do. - - -		346 14
8.	Cash - - do. - do. - - -		50,000 0
10.	Do. - do. - do. - - -		25,000 0
	Transferred do. - do. to our Hyderabad house on account of following:		
	Captain Hollis - - - -	500 0	
	Major Fraser - - - -	400 0	
	Mrs. Kelly - - - - -	200 0	
	Major Woodhouse - - -	4,200 0	
	Captain Hollis - - - -	500 0	
	Mrs. Ellis, pension - - -	150 0	
	Mr. Gerard, monthly payment -	200 0	
	—— H. Kelly - - - -	50 0	
			6,200 0
12.	Cash paid Mahomed Ali Soobadar - - -		287 8
	Carried forward - Rupees		21,53 484 4

Cr.

1819.		Rupees. A.	Rupees. A.
	Brought forward -	1,58,563 8	—6,00,000 0
	By sums received from Karee Moongee Wunkut Rao on following dates, viz.:		
	22d March 1819 - - - -	12,725 0	
	28th do. - - - - -	67,675 0	
	23d do. - - - - -	10,487 8	
	25th do. - - - - -	2,000 0	
	2d April - - - - -	5,000 0	
	8th do. - - - - -	2,500 0	
	9th do. - - - - -	8,500 0	
	13th do. - - - - -	10,117 0	
	15th do. - - - - -	35,500 0	
	19th do. - - - - -	28,900 0	
	23d do. - - - - -	8,013 0	
	25th do. - - - - -	10,000 0	
	30th do. - - - - -	30,500 0	
	5th May - - - - -	2,500 0	
			3,92,981 0
	By sums received from Raee Rajah Ram on following dates, viz.		
	29th May 1819 - - - -	91,000 0	
	4th June - - - - -	31,000 0	
	10th do. - - - - -	10,000 0	
	14th do. - - - - -	55,000 0	
	16th do. - - - - -	9,000 0	
	18th do. - - - - -	18 000 0	
	20th do. - - - - -	55,000 0	
	24th do. - - - - -	31,000 0	
			3,00,000 0
	By sums received from Raee Rajah Ram on following dates, viz.		
	5th August 1819 - - -	27,000 0	
	9th do. - - - - -	12,000 0	
	11th do. - - - - -	44,000 0	
	15th do. - - - - -	21,000 0	
	21st do. - - - - -	31,000 0	
			1,35,000 0
	Carried forward - Rupees		14,27,981 0

No. 3.—(*continued.*)

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.

Dr.

1819.		Rupees. A.	Rupees. A.
	Brought forward - -		21,53,484 4
July 13.	To Our bill on Hyderabad on Captain Parker's receipt for Hy. Rs. 800 less exchange -		790 0
15.	Transferred to Hyderabad house on Captain Parker's receipt - - - - - -		5,720 0
16.	Cash paid Captain Parker on receipt - -		25,000 0
17.	Do. - Lolla Deo Chund for uttar -		182 0
18.	Our bill on Hyderabad on Captain Parker's receipt - - - - - - - -		1,000 0
14.	Transferred to Hyderabad house two bills for By. Rs. 6,000 and exchange - - -		7,083 12
15.	Two bills for By. Rs. 2,052 8, and exchange -		2,406 8¾
12.	One do. - do. - 4,600 - do. - -		5,393 8
18.	Five do. - do. - aggregate Bombay Rupees 46,605 10, exchange, &c. - - -		55,577 13¾
29.	Cash paid Deo Chund on receipt - - -		200 2
Aug. 2.	Cash paid Captain Parker on do. - - -		50,000 0
10.	Bill on Hyderabad on do. - - - - -		225 0
15.	Transferred on Captain Parker's receipt to W. Palmer & Co. of Hyderabad on account of the following:		
	Major Woodhouse - - - -	4,200 0	
	Captain Davies - - - -	2,000 0	
	—— Hollis - - -	1,000 0	
	Major Fraser - - - - -	400 0	
	Mrs. Kelly - - - - -	200 0	
	Lieutenant H. Kelly, monthly payment	50 0	
	Mrs. Ellis, pension - - -	150 0	
	Mr. F. W. Gerand monthly payment	200 0	
	Transferred do. for our bill on Captain Parker's receipt for Hyderabad Rupees 1,020, or - -	1,000 0	
	For a do. on do. Hy. Rs. 153 or -	150 0	
	Our eight bills on Jaulnah, per Captain Parker's receipt for - -	49,664 2	
			59,014 2
18.	A bill on Hingolee, on Captain Parker's receipt, for 7,000 Rupees - - - -		7,070 0
19.	Cash paid Captain Parker on receipt - -		30,000 0
20.	Twelve bills on Jaulnah on do. - - -		47,198 5
21.	Cash paid Captain Parker on do. - - -		8,000 0
14.	Transferred do. - do. - - - -		5,775 0
22.	Balance of interest to this date - - -		14,388 1½
	Transferred balance of your separate account, as per account - - - - - -		3,31,080 0
		Rupees	29,09,588 9

Cr.

1819.		Rupees. A.	Rupees. A.
	Brought forward -		14,27,981 0
Aug. 22.	By Balance due to us. - - - -		14,81,607 9
		Rupees	29,09,588 9

Aurungabad,
22d August 1819.

(Signed) WM. PALMER and Co.
(Errors excepted)

SEPARATE ACCOUNT.

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and CO.

Dr.

1819.		Rupees.	A.
Mar. 7.	To a bill on us, favour of Mr. H. Russell, by William Palmer & Co.	50,000	0
17.	A do. as above	50,000	0
22.	Cash paid Captain Parker on receipt	20,000	0
23.	Do. do.	30,000	0
26.	Do. do.	25,000	0
28.	Do. do.	25,000	0
31.	Transferred W. Palmer & Co. of Hyderabad on Mr. Russell's receipt	1,00,000	0
Aug. 22.	Interest on the above items to this date	31,080	0
	Rupees	3,31,080	0

Cr.

1819.		Rupees.	A.
Aug. 22.	By balance transferred to your account	3,31,080	0
	Rupees	3,31,080	0

Aurungabad,
22d August, 1819.

(Signed) Wm. Palmer and Co.
(Errors excepted)

No. 4.

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PARKER and CO.

Dr.

1819.		Rupees.	A.	Rupees.	A.
Aug. 23.	To balance of last account			14,81,607	9
	To Cash paid Lolla Deo Chund			200	2
Sep. 1.	Do. - Captain Parker on receipt			1,00,000	0
6.	Our three bills on Bombay for By. Rs. 10,000, on Captain Parker's receipt, exchange, &c.			11,640	4
10.	Cash paid Captain Parker on receipt			50,000	0
12.	Transferred to W. Palmer & Co. Hyderabad, on Captain Parker's receipt, on account of the following:				
	Major Woodhouse	4,200	0		
	——— Fraser	400	0		
	Captain Robinson	1,000	0		
	Mrs. Kelly	200	0		
	Captain Hollis	1,000	0		
	Mr. H. Kelly	50	0		
	Mrs. Ellis, pension	150	0		
	Mr. D. S. Young	327	0		
				8,402	0
15.	Our bill on do. on Captain Parker's receipt			1,000	0
17.	Our twelve bills on Jaulnah granted on Captain Parker			42,420	0
22.	Cash paid Lolla Deo Chund, on receipt			197	14
	Our bill on Bombay, granted to Captain Parker for By. Rs. 394 14, and exchange			458	10½
29.	Cash paid Captain Parker on receipt			8,000	0
Oct. 1.	Do. - do. - do.			2,00,000	0
15.	Transferred to W. Palmer & Co. of Hyderabad on Captain Parker's receipt, on account of the following:				
	Major Woodhouse	4,200	0		
	——— Fraser	400	0		
	Mrs. Kelly	200	0		
	Captain Robison	1,000	0		
	——— Hollis	1,000	0		
	——— Grant	1,000	0		
	Mr. H. Kelly	50	0		
	Mrs. Ellis on account of Captain Topandar	150	0		
				8,000	0
21.	Cash paid Captain Parker on receipt			36,500	0
22.	Do. Lolla Deo Chund			199	0
24.	Do. Captain Parker, on receipt			10,000	0
	Carried forward - Rupees			19,58,625	7½

Cr.

1819.		Rupees.	A.	Rupees.	A.
	By sums received from Raee Chotum Loll, on following dates:				
	22d September	2,05,000	0		
	23d do.	95,000	0		
	21st October	36,250	0		
	20th November	86,620	5½		
	1st December	1,00,000	0		
	10th do.	8,000	0		
	11th do.	56,147	0		
	19th do.	40,999	0		
	20th do.	17,035	0		
	22d do.	27,580	0		
	23d do.	15,150	0		
	24th do.	1,200	0		
	25th do.	7,950	0		
	26th do.	5,250	0		
	27th do.	7,818	10½		
				7,10,000	0
	By sums received from Rajah Rahamun on following dates:				
	29th September	3,520	0		
	30th do	8,000	0		
	1st October	12,500	0		
	2d do.	15,650	0		
	3d do.	1,330	0		
	6th do.	1,000	0		
	20th November	21,000	0		
	22d do.	19,694	0		
	24th do.	5,306	0		
	5th December	14,194	0		
	6th do.	45,585	0		
	8th do.	9,221	0		
	30th November	35,000	0		
	10th December	50,000	0		
	16th do.	50,000	0		
	17th do.	23,000	0		
				3,15,000	0
1820.					
Jan. 11.	Transferred Messrs. W. Palmer & Co. of Hyderabad, for cash received by them this date			6,00,000	0
	Carried forward - Rupees			16,25,000	0

No. 4.—(*continued.*)

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.

Dr. *Cr.*

1819.		Rupees.	A.	Rupees.	A.
	Brought forward			19,58,625	7½
Nov. 4.	To Cash paid Captain Parker on receipt			30,000	0
8.	Do. do.			25,000	0
11.	Transferred on Captain Parker's receipt on account of Ensign Oliphant			4,800	0
13.	Cash paid on do. do.			15,000	0
15.	Transferred to W. Palmer and Co. Hyderabad, on Captain Parker's receipt, on account of the following:				
	Major Woodhouse	4,200	0		
	Captain Hollis	1,000	0		
	Major Fraser	400	0		
	Mrs. Kelly	200	0		
	Captain Grant	1,000	0		
	Lieutenant Ricketts	45	0		
	Captain Robison	500	0		
	Lieutenant Scott	800	0		
	Mrs. Ellis, account Captain Topander	150	0		
	Mr. H. Kelly	50	0		
	Lieutenant Glass	100	0		
	Master H. Larkins	100	0		
				8,545	0
18.	Transferred on Captain Parker's receipt			1,431	11¼
20.	Cash paid Lolla Deo Chund	199	0		
	Do. Captain Parker on receipt	76,000	0		
				76,199	0
25.	Do. do.			2,000	0
Dec. 1.	Do. do.			5,000	0
2.	Do. do.			1,20,000	0
6.	Do. do.			20,000	0
10.	Do. do.			707	2
12.	Do. do.			55,000	0
20.	Our four bills on Bombay granted to Captain Parker on receipt, By. Rs. 10,000 and exchange			11,943	4
	Cash paid Lolla Deo Chund			199	0
1820.					
Jan. 7.	Do. Captain Parker on receipt			1,50,000	0
13.	Do. do.			50,000	0
7.	Transferred to Hyderabad House, on account of purchase made at Bombay			1,26,000	0
19.	Cash paid Lolla Deo Chund			199	0
26.	Do. Captain Parker on receipt			10,000	0
27.	Do. do.			1,000	0
Feb. 1.	Do. do.			60,000	0
4.	Do. do.			25,000	0
5.	Our bills on Bombay granted to Captain Parker By. Rs. exchange, &c.	5,794	14		
	Transferred on Captain Parker's account, on account of Lieutenant Oliphant	1,200	0		
				6,994	14
7.	Our bill on Hyderabad on Captain Parker's receipt for			2,030	0
	Cash paid Captain Parker on receipt			25,000	0
13.	Do. do.			10,000	0
16.	Balance of Interest due to us			1,75,151	15¾
		Rupees		29,75,826	6½

1820.		Rupees.	A.
	Brought forward	16,25,000	0
Feb. 16.	By balance due to us	13,50,826	6½
	Rupees	29,75,826	6½

Aurungabad,
17th February 1820.

(Signed) Wm. PALMER and Co.

No. 5.

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and CO. *of AURUNGABAD.*

Dr.

1820.		Rupees.	A.	Rupees.	A.
Feb. 16.	To balance of last account			13,50,826	6½
	To Cash paid Lolla Deo Chund			199	0
17.	Do. - Captain Parker on receipt			32,644	13
18.	Do. - do.			40,000	0
19.	Do. - do.			5,000	0
23.	Transferred on Captain Parker's receipt to Aurungabad Sub Library			1,520	0
Mar. 1.	Cash paid Captain Parker on receipt			1,10,000	0
3.	Do. - do.			25,000	0
5.	Do. - do.			40,000	0
8.	Do. - do.			25,000	0
15.	Do. - do.			8,043	8
17.	Do. - Lolla Deo Chund			199	0
19.	Our draft on Hyderabad for Bagh Chulnee, Rs. 2159 and exchange			2,223	12½
April 1.	Cash paid Captain Parker on receipt			1,50,000	0
7.	Do. - do.			25,000	0
9.	A bill on Bombay, on Captain Parker's receipt, for By. Rs. 2,500 and exchange			2,966	14
13.	Cash paid Captain Parker on receipt			15,000	0
16.	Do. - Lolla Deo Chund			199	0
28.	Do. - Captain Parker on receipt			10,961	2½
May 1.	Do. - do.			71,216	5
3.	Do. - do.			30,000	0
10.	Do. - do.			36,703	7¾
13.	Do. - do.			8,000	0
5.	Do. - do.			3,000	0
6.	Do. - do.			4,375	0
7.	Do. - do.			3,365	0
8.	Do. - do.			1,000	0
10.	Do. - do.			3,760	0
13.	Do. - do.			1,000	0
14.	Do. - do.			40,000	0
15.	Do. - Lolla Deo Chund			199	0
16.	Do. - Captain Parker on receipt			4,457	0
17.	Do. - do.			302	0
18.	Do. - do.			8,412	0
21.	Do. - do.			3,000	0
June 1.	Do. - do.			1,30,000	0
2.	Do. - do.			70,000	0
14.	Do. - Lolla Deo Chund			199	0
22.	Do. - Captain Parker on receipt			7,906	13
19.	Do. - do.			5,000	0
July 1.	Do. - do.			50,000	0
2.	Do. - do.			1,176	10½
8.	Do. - do.			25,000	0
10.	Do. - do.			2,500	0
14.	Do. - do.	5,766	0		
	Do. - Lolla Deo Chund	199	0		
				5,965	0
20.	Cash paid Captain Parker's receipt			65,000	0
17.	Do. - do.			19,350	0
23.	Do. - do.			25,000	0
Aug. 2.	Do. - do.			25,000	0
3.	Do. - do.			50,000	0
9.	Do. - do.			58,000	0
11.	Balance of Interest to this date			1,08,513	11½
	Carried forward - Rupees			27,12,684	8¼

Cr.

1820.		Rupees.	A.	Rupees.	A.
	By sums received from Raee Chotum Loll, on following dates:				
	16th February	1,70,317	5½		
	18th do.	12,000	0		
	24th do.	20,325	0		
	25th do.	14,000	0		
	26th do.	13,359	0		
	4th March	30,290	0		
	5th do.	2,175	0		
	8th do.	3,900	0		
	10th do.	10,000	0		
	12th do.	3,912	0		
	13th do.	2,300	0		
	15th do.	8,551	0		
	16th do.	6,000	0		
	17th do.	18,000	0		
	19th do.	6,000	0		
	20th do.	15,120	10½		
	13th June	3,37,500	0		
				6,73,750	0
	By sums received from Race Rajah Ram on following dates:				
	17th December 1819	8,000	0		
	2d January 1820	4,300	0		
	2d March	40,000	0		
	8th do.	27,000	0		
	12th February	15,000	0		
	17th do.	19,000	0		
	27th do.	20,000	0		
	21st do.	21,000	0		
	3d March	25,000	0		
	26th February	11,000	0		
	2d March	1,600	0		
	3d do.	2,000	0		
	5th do.	5,200	0		
	8th do.	1,200	0		
	11th do.	1,000	0		
	12th do.	10,300	0		
	13th do.	1,025	0		
	15th do.	1,400	0		
	20th do.	20,000	0		
	22d do.	875	0		
	25th do.	4,000	0		
	26th do.	2,000	0		
	27th do.	10,250	0		
	29th do.	2,200	0		
	27th do.	14,000	0		
	29th do.	2,691	0		
	30th do.	4,600	0		
	31st do.	1,350	0		
	26th do.	3,000	0		
	3d April	950	0		
	28th do.	10,961	2½		
	2d do.	4,450	0		
	5th do.	3,066	0		
	6th do.	700	0		
	10th do.	1,142	0		
	13th do.	3,000	0		
	16th do.	1,900	0		
	17th do.	5,040	0		
	18th do.	1,806	0		
	Carried forward - Rupees	3,12,006	2½	6,73,750	0

No. 5.—(*continued.*)

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co. *of AURUNGABAD.*

Dr. *Cr.*

	Rupees.	A.
Brought forward -	27,12,684	8¼

N.B. The Balance exhibited in this account was transferred to the Hyderabad accounts, as per corresponding entry, as a matter of convenience in regard to a future settlement. The principal with its interest, however, appertaining to the Aurungabad transactions.

(Signed) W. PALMER and Co.

1820.		Rupees.	A.	Rupees.	A.
	Brought forward -	3,12,006	2½	6,73,750	0
	By sums received from Raee Rajah Ram on following dates:				
19th April	- - - - -	9,900	0		
20th do.	- - - - -	3,500	0		
22d do.	- - - - -	1,100	0		
23d do.	- - - - -	2,500	0		
6th May	- - - - -	4,875	0		
8th do.	- - - - -	3,500	0		
18th do.	- - - - -	8,000	0		
21st do.	- - - - -	3,000	0		
30th do.	- - - - -	5,000	0		
3d June	- - - - -	9,000	0		
4th do.	- - - - -	4,000	0		
11th do.	- - - - -	2,418	11¾		
14th do.	- - - - -	9,505	0		
15th do.	- - - - -	2,341	0		
17th do.	- - - - -	2,275	0		
19th do.	- - - - -	5,000	0		
22d do.	- - - - -	3,000	0		
28th do.	- - - - -	2,100	0		
29th do.	- - - - -	2,625	0		
3d July	- - - - -	5,518	0		
5th do.	- - - - -	4,757	0		
9th do.	- - - - -	10,500	0		
10th do.	- - - - -	2,000	0		
12th do.	- - - - -	5,500	0		
13th do.	- - - - -	500	0		
14th do.	- - - - -	579	1¾		
				4,25,000	0
	By Messrs. W. Palmer & Co. Hyderabad transferred on following dates;				
2d March	- - - - -	75,000	0		
6th do.	- - - - -	25,000	0		
16th February	- - -	1,29,444	0		
23d do.	on account of Muktuwar Jung - - - -	3,960	0		
31st March	- do. - - -	3,861	0		
				2,37,265	0
Mar. 10.	By a Hoondee received on account Muktuwar Jung - - - - - - - -			6,000	0
	By Talooka Purchunna transferred on following dates:				
14th June	- - - - -	8,400	0		
23d do.	- - - - -	4,060	0		
26th do.	- - - - -	2,300	0		
27th do.	- - - - -	2,040	0		
7th July	- - - - -	7,823	0		
9th do.	- - - - -	577	0		
3d August	- - - -	8,400	0		
20th do.	- - - - -	6,500	0		
21st do.	- - - - -	1,850	0		
30th do.	- - - - -	5,250	0		
9th September	- - - -	4,800	0		
				52,000	0
Aug. 11.	By Balance transferred to W. Palmer & Co. Hyderabad - - - - - -			13,18,669	8¼
	Rupees	27,12,684	8¼		

Aurungabad,
11th August 1820.

(Signed) Wm. PALMER & Co.
(Errors excepted.)

No. 6.

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and CO. *of AURUNGABAD.*

Dr.

1829.		Rupees.	A.	Rupees.	A.
Aug. 11.	To Cash paid Lolla Deo Chund on receipt			199	0
15.	Transferred to Wm. Palmer & Co. on Captain Parker's receipt on account of following :				
	Lieutenant Oliphant	1,200	0		
	——— Ricketts	125	5¼		
	Captain Robison	1,000	0		
	——— Godley	1,511	0		
	Mrs. Kelly	200	0		
	Captain Hollis	1,000	0		
	——— Grant	1,000	0		
	Master Larkins	100	0		
	Mrs. Ellis, on account of Captain Topander	150	0		
				6,286	5¼
18.	Cash paid on Major Parker's receipt			20,000	0
22.	Do. do			10,000	0
24.	Do. do.			10,000	0
Sept. 10.	Do. Lolla Deo Chund			199	0
15.	Do. on Major Parker's receipt			12,700	0
16.	Do. do.			2,000	0
18.	Do. do.			35,000	0
	Transferred to W. Palmer & Co. on Major Parker's receipt account of				
	Captain Grant	1,000	0		
	Lieutenant Oliphant	1,200	0		
	Captain Hollis	1,000	0		
	Mr. Larkins	100	0		
	Captain Glass	300	0		
	Lieutenant Ricketts	850	0		
	Captain Godley	1,045	0		
	Mrs. Ellis, on account of Captain Topander	150	0		
				5,645	0
20.	Cash paid Major Parker on receipt			15,000	0
21.	Do. do.	25,000	0		
	Transferred do. for 6,000 Ankosee rupees and exchange	64,050	0		
				89,050	0
23.	Transferred on Major Parker's receipt on account of Lieutenant Sutherland			1,090	0
30.	Do. do. Captain Black			100	0
	Cash paid do. on receipt			10,000	0
Oct. 2.	Do. do.			20,000	0
4.	Do. do.			20,000	0
9.	Do. do.			15,000	0
11.	Do. Lolla Deo Chund			119	0
14.	Eight Hoondies on Jaulnah for Hy. Rs. 71,000 on Major Parker's receipt, discounted			70,625	0
17.	Transferred to Wm. Palmer & Co. on Major Parker's receipt account of				
	Lieutenant Oliphant	1,200	0		
	Captain Grant	1,000	0		
	——— Clark	100	0		
	Mr. Larkins	100	0		
	Lieutenant Ricketts	50	0		
	Carried forward	Rupees 2,450	0	3,43,093	5¼

Cr.

1820.		Rupees.	A.	Rupees.	A.
	By sums received from Raee Rajah Ram on following dates :				
	7th July	2,500	0		
	14th do.	29,000	0		
	18th do,	24,000	0		
	26th do.	10,000	0		
	24th August	2,000	0		
	5th do.	28,000	0		
	4th September	5,000	0		
	11th do.	3,850	0		
	18th do.	1,800	0		
	21st do.	100	0		
				1,06,250	0
	By sums received from Karee Moongee Wunkut Rao, on following dates :				
	22d December	1,40,000	0		
	24th do.	35,000	0		
	26th do.	25,000	0		
				2,00,000	0
	By sums received from Raee Chotum Loll on following dates :				
	12th August	1,00,000	0		
	18th September	25,000	0		
	24th do.	64,000	0		
	2d October	20,000	0		
	4th do.	16,000	0		
	3d November	30,000	0		
	7th do.	30,000	0		
	8th do.	15,000	0		
	17th do.	25,000	0		
	12th August	522	8		
	8th November	50	9		
	29th do.	75,000	0		
	29th December	1,49,534	0		
	21st January 1821	99,892	15		
				6,50,000	0
Nov. 22.	By sums received from Rajah Govund Buksh			25,000	0
	Do. do from Mahomed Salabut Khan on following dates :				
	30th October	41,750	0		
	9th November	2,000	0		
	10th January 1821	22,750	0		
	12th do.	3,000	0		
	16th do.	18,000	0		
				87,500	0
	By sums received from do. as arrears due from Fuslie 1229 *viz.*				
	23d November	4,000	0		
	21st December	2,000	0		
	26th do.	7,670	14½		
				13,670	14½
	By sums received from Hurbajee Rao Mahadeo on following dates :				
	26th November	35,000	0		
	27th do.	10,000	0		
	30th do.	5,000	0		
	1st December	4,500	0		
	2d do.	5,000	0		
	4th do.	2,000	0		
	5th do.	19,750	0		
				81,250	0
	Carried forward	Rupees 11,63,670	14½		

No. 6.—(*continued.*)

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co. *of AURUNGABAD.*

Dr.

1819.		Rupees. A.	Rupees. A.
	Brought forward - Rupees 2,450		3,43,093 5¼
15.	To transferred to William Palmer and Co. of Hyderabad on Major Parker's receipt account of:		
	Captain Godley - - -	772 0	
	——— Hollis - - -	1,000 0	
	——— Robison - - -	50 0	
	Lieutenant Sutherland - -	1,062 6½	
	Mrs. Ellis on account Captain Topander - - - -	115 0	
	Lieutenant Glass - - -	100 0	
	Our three drafts on Hyderabad	1,950 0	
			7,499 6½
Oct. 19.	A bill on Bombay on Major Parker's receipt for By. Rs 676 and exchange -	787 6¼	
	Transferred on Major Parker's receipt	2,000 0	
			2,787 8¼
21.	Cash paid on do. - do. - - -		10,000 0
23.	Do. - do. - do. -	10,000 0	
	Do. - Lolla Deo Chund in part of Chuttees for 1,880 Rs. - -	280 0	
			10,280 0
25.	The following bills granted to Major Parker on his receipts:		
	One bill on Cawnpore for Kuldar Rs. 3,080 and exchange - - -	4,044 0¾	
	Seven bills on Bombay for aggregate amount 22,439. 1½ and exchange - - -	26,119 10½	
			30,163 11¼
26.	Cash paid on Major Parker's receipt - -		15,000 0
30.	Do. - do. - - - - - -		10,000 0
Nov. 3.	Do. - do. - - - - - -		75,000 0
10.	Do. Lolla Deo Chund - - - -		199 0
9.	Transferred to Messrs. William Palmer and Co. on account of Lieutenant Oliphant on Major Parker's receipt - - - - -		446 7½
13.	Do. on account of Lieutenant Rice on receipt as above - - - - - - -		800 0
15.	Three drafts on Hyderabad - - - -		711 4½
	Transferred to W. Palmer and Co. on Major Parker's receipt account of		
	Lieutenant Oliphant - -	745 15½	
	Captain Grant - - -	990 0	
	Master Larkins - - -	99 0	
	Captain Clarke - - -	99 0	
	——— Godley - - -	1,044 7¼	
	——— Robison - - -	800 0	
	——— Sutherland - -	1,100 0	
	——— Davies - - -	2,000 0	
	Mr. Gerand - - -	75 0	
	Exchange on above - -	33 13¼	
	Transferred on Major Parker's .... *	7,500 0	
			14,487 4
17.	Cash paid Major Parker on receipt.	25,000 0	
	Transferred on do. - do. -	2,600 0	
			27,600 0
18.	Our draft on Hyderabad for 400 Hy. Rs. and exchange - - - - - - -		401 8
Oct. 1.	Transferred to W. Palmer and Co. on account of Captain Gordon - -	1,165 8	
	Mrs. Wheeler - - -	300 0	
			1,465 8
Nov. 1.	Transferred to W. Palmer and Co. as above -		1,465 8
27.	Cash paid Major Parker on receipt - -		12,000 0
30.	Do. - do. - do. - - -		75,000 0
Dec. 1.	Transferred to W. Palmer and Co. account following pensions:		
	Captain Gordon's family -	1,165 8	
	——— Leride - - -	400 0	
	Mrs. Wheeler - - -	300 0	
			1,865 8
	Carried forward - Rupees		6,40,295 15¼

* *(Original illegible.)*

Cr.

1819.	Rupees. A.	Rupees. A.
Brought forward -		* 11,69,331 2½

(Sic orig.)*

Carried forward - Rupees 11,69,331 2½

No. 6.—(*continued.*)

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co. *of AURUNGABAD.*

Dr. *Cr.*

1820.		Rupees. A.	Rupees. A.
	Brought forward - -		6,40,295 15¼
Dec. 3.	To Cash paid Major Parker on receipt - - - - -	20,000 0	
	Do. - Lolla Deo Chund -	1,600 0	
			21,600 0
5.	Do. - Major Parker on receipt -		62,158 12
7.	Do. - - do. - - -		15,000 0
8.	Do. - Lolla Deo Chund - - -		119 0
9.	Do. Major Parker on receipt - - -		25,000 0
13.	Transferred to W. Palmer and Co. on Major Parker's receipt - - -	1,806 12	
	Cash paid - do. - do. - -	5,000 0	
			6,806 12
14.	Do. - do. - do. - - - -		20,000 0
15.	Transferred to W. Palmer and Co. on account of the following on Major Parker's receipt:		
	Captain E. Davis - - -	2,000 0	
	——— Grant - - -	1,000 0	
	Lieutenant Clark - - -	100 0	
	Mr. Larkin - - - -	100 0	
	Captain Godley - - -	1,200 0	
	Lientenant Sutherland - -	1,080 0	
	Captain Robison - - -	100 0	
	Lieutenant Harrison - -	200 0	
	Our four drafts on Hyderabad on receipt as above, amounting in aggregate to - - - -	2,900 0	
			8,680 0
16.	Cash paid Major Parker on receipt - -		20,000 0
20.	Do. - do. for two bills on Bombay for Rs. 3,500 and exchange -	4,100 9½	By.
	A bill for Hy. Rs. in favour of Major Parker - - - - -	26 0	
			4,126 9½
21.	Cash paid Major Parker on receipt - -		5,000 0
Jan. 1.	Do. - do. - - - - -		1,75,000 0
	Transferred to W. Palmer and Co. on do. account of following:		
	Captain Gordon's family -	1,165 8	
	——— Leride - - -	400 0	
	Mrs. Wheeler - - -	300 0	
			1,865 8
6.	Cash paid Lolla Deo Chund - - - -		199 0
8.	For a bill on Bombay on Major Parker's receipt for By. Rs. 1,799 and exchange - - -		2,144 0½
15.	Transferred to W. Palmer and Co. on Major Parker's receipt on account following:		
	Master Larkin - -	100 0	
	Captain Grant - -	1,000 0	
	Lieutenant Cartwright -	300 0	
	Captain Davies - -	2,000 0	
	Lieutenant Sutherland -	1,090 0	
			4,490 0
22.	Cash paid Major Parker on receipt - - -		6,000 0
Feb. 1.	Do. - do. - - - - -		44,000 0
3.	Do. - do. - - - - -		15,000 0
5.	Balance in your favour - - - - -		91,765 9½
		Rupees	11,69,331 2½

1821.		Rupees. A.
	Brought forward - Rupees	11,69,331 2½
Feb. 5.	By Balance of interest due to this date -	5,660 4
	Rupees	11,69,331 2½

Aurungabad,
5th February 1821.

(Signed) WM. PALMER and Co.
(Errors excepted.)

No. 7.

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and CO. *of AURUNGABAD.*

Dr.

1821.		Rupees.	A.	Rupees.	A.
Feb. 1.	To transferred to W. Palmer and Co. of Hyderabad on account of Mr.				
	E. Gordon - - - -	1,165	8		
	Mrs. Wheeler - - - -	300	0		
				1,465	8
5.	Cash paid Major Parker on receipt - -			1,25,000	0
8.	Do - Lolla Deo Chund - - -			199	0
15.	Transferred to W. Palmer and Co. on receipt of Major Parker account of				
	Captain Davies - -	2,000	0		
	——— Grant - -	1,000	0		
	Lieutenant Cartwright -	429	0		
	Master Larkin - -	100	0		
	Captain Hinde - -	500	0		
	Lieutenant Sutherland -	1,090	0		
	——— Swinton - -	460	0		
	Mr. Hindly - - -	418	0		
				5,997	0
March 1.	Cash paid Major Parker on receipt -			1,80,000	0
	Transferred on ditto to W. Palmer and Co. on account of Captain Gordon -	1,165	8		
	Mrs. Wheeler - - - -	300	0		
				1,465	8
3.	Paid for a bill on Bombay, on Major Parker's receipt for By. Rs. 7,203, and exchange -			8,461	12½
7.	Cash paid Lolla Deo Chund - - -			199	0
15.	W. Palmer and Co. transferred on Captain Parker's receipt on account of				
	Captain Davies - -	2,000	0		
	——— Grant - -	1,000	0		
	Lieutenant Cartwright -	448	5½		
	Mr. Larkins - - -	100	0		
	Captain Hinde - -	500	0		
	Lieutenant Sutherland -	1,095	0		
	——— Rice - -	460	0		
	Captain Yates - - -	92	0		
				5,695	5½
21.	Cash paid for a bill on Bombay for By. Rs. 2,000, and exchange on Major Parker's receipt - - - - - - - -			3,534	14
	Do. Major Parker on receipt - - -			2,426	12½
26.	Transferred to W. Palmer and Co. - -			1,346	0
April 1.	Cash paid Major Parker on receipt - -			1,58,000	0
	Transferred on ditto to W. Palmer and Co. account of Captain Gordon - - - -	1,165	8		
	Mrs. Wheeler - - -	300	0		
				1,465	8
5.	Cash paid Major Parker on receipt	20,000	0		
	Do. - Lolla Deo Chund	199	0		
				20,199	0
8.	To our bill on Bombay, on Major Parker's receipt in favour of Chief Secretary to Government for By. Rs. 18,479. 4, and exchange - - - - - - -			21,828	14
11.	Cash paid Major Parker on receipt - -			171	2
	Carried forward - Rupees			5,37,455	4½

Cr.

1821.		Rupees.	A.	Rupees.	A.
Feb. 5.	By balance of last account - - -			91,765	9½
	By sums received from Raee Chotum Loll following dates, *viz.*				
	5th February - - - -	1,00,000	0		
	22d do. - - - - -	1,00,000	0		
	1st March - - - - -	1,00,000	0		
				3,00,000	0
	By sums received from Karee Moongee Wunkut-Rao following dates, *viz.*				
	19th February - - -	50,000	0		
	27th do. - - - -	50,000	0		
	13th March - - - -	50,000	0		
	26th do. - - - -	50,000	0		
	11th May - - - -	50,000	0		
	27th do. - - - -	1,000	0		
	6th June - - - -	50,000	0		
	18th July - - - -	40,000	0		
				3,41,000	0
	By sums received from Hurbajee Rao Mahadeo following dates:				
	15th March - - - -	20,000	0		
	22d - - - - -	23,051	0		
	29th do. - - - -	7,000	0		
	9th April - - - -	4,199	0		
	10th do. - - - -	10,000	0		
	16th do. - - - -	10,000	0		
	23d do. - - - -	7,000	0		
	9th June - - - -	1,525	0		
	17th do. - - - -	1,600	0		
	28th do. - - - -	14,000	0		
	10th July - - - -	2,625	0		
	11th do. - - - -	10,762	8		
	13th do. - - - -	400	0		
	17th do. - - - -	250	0		
	22d do. - - - -	3,400	0		
	23d do. - - - -	775	0		
	23d do. - - - -	3,000	0		
	20th do. - - - -	825	0		
	30th do. - - - -	1,307	4		
				1,21,719	12
	By sums received from Salabut Khan following dates:				
	6th April - - - -	19,300	0		
	18th do. - - - -	700	0		
	12th do. - - - -	23,750	0		
	3d July - - - - -	43,750	0		
				87,500	0
	By sums received from Rajah Govind Buksh, following dates:				
	5th February - - - -	25,000	0		
	13th May - - - - -	5,700	0		
	14th do. - - - - -	1,650	0		
	19th do. - - - -	1,232	0		
	23d do. - - - -	10,000	0		
	25th do. - - - - -	1,418	0		
	15th June - - - - -	4,498	0		
	16th do. - - - - -	502	0		
				50,000	0
July 30.	By balance of interest to this date - -			10,802	9
	Carried forward Rupees			10,02,787	14½

No. 7.—(*continued.*)

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co. *of AURUNGABAD.*

Dr. *Cr.*

1821.				Rupees.	A.
	Brought forward			5,37,455	4½
April 20.	To Cash paid Meer Ali Nukhi Khan on receipt			431	0
May 1.	Do. - Major Parker on receipt	54,000	0		
	Do. - Captain Babington at Jaulna on Major Parker's receipt	18,500	0		
	Transferred on Captain Gordon's account	1,165	8		
	Mrs. Wheeler	300	0		
				73,965	8
3.	Cash paid Major Parker on receipt			12,000	0
5.	Do. - Lolla Deo Chund	199	0		
	Do. - Meer Ali Nukhi Khan	53	14		
				252	14
9.	Do. - Major Parker on receipt			10,000	0
13.	A bill on Bombay for By. Rs. 50,000, and exchange			59,250	0
14.	*Cash paid Major Parker on receipt*			*20,000*	*0*
15.	Transferred on do. to W. Palmer and Co. account of				
	Lieutenant Glass	100	0		
	——— Cartwright	151	11½		
	Captain Yates	1,000	0		
	Mr. Scott	450	0		
	Lieutenant Sutherland	595	0		
18.	Mr. D. S. Young	1,000	0		
				3,296	11½
19.	Cash paid Major Parker on receipt			30,000	0
24.	Do. - - - Do.			20,000	0
26.	Do. - - - Do.			21,531	4¾
June 1.	Do. - - - Do.	30,000	0		
	Transferred on Do. to W. Palmer and Co. account of				
	Captain Yates	782	0		
	Mr. E. Gordon	1,165	8		
	Mrs. Wheeler	300	0		
				32,247	8
2.	Cash paid Lolla Deo Chund on receipt			199	0
3.	Do. paid Meer Ali - do.			53	14
7.	Do. - Major Parker on do.			25,000	0
9.	Our bill for Hd. Rupees 14,300 less exchange on Major Parker's receipt			13,871	0
11.	Cash paid Major Parker on receipt			10,000	0
15.	Do. - - - Do.			20,000	0
16.	Our five drafts on Hyderabad, on Major Parker's receipt aggregate	1,348	3½		
	Transferred on account Lieutenant Sutherland on Do.	1,095	0		
	Captain Brown	700	0		
	Mr. R. Scott	51	12½		
				3,195	0
17.	Cash paid Major Parker on receipt			12,000	0
18.	Our draft on Hyderabad on Major Parker's receipt			784	14
22.	Cash paid Major Parker on receipt			20,000	0
28.	Do. - - - Do.			20,000	0
July 1.	Transferred on Major Parker's receipt to W. Palmer and Co. account of				
	Captain Gordon	1,165	8		
	Mrs. Wheeler	300	0		
				1,465	8
2.	Cash paid Major Parker on receipt	20,000	0		
	Do. - Meer Ali Nukhi Khan	53	14		
				20,053	14
	Carried forward - Rupees			9,67,053	4¾

1821.		Rupees.	A.
	Brought forward	10,02,787	14¼
	Carried forward -	10,02,787	14¼

No. 7.—(*continued.*)

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co. *of AURUNGABAD.*

Dr.

1821.		Rupees.	A.	Rupees.	A.
	Brought forward - - -			9,67,053	4¾
July 5.	To Cash paid on Major Parker's receipt - - - - - -	10,000	0		
	Do. - Lolla Deo Chund -	199	0		
				10,199	0
6.	Do. - on Major Parker's receipt - -			14,367	2
12.	Do. - do. - - - - -			25,000	0
15.	Do. - do. - - - - -			25,000	0
16.	Transferred on account of following on Major Parker's receipt:				
	Captain Doveton - - - -	127	7¼		
	Lieutenant Johnstone - - -	63	12		
	Captain Roberts - - - -	127	7¼		
	Lieutenant Scott - - - -	127	7¼		
	——— Reynolds - - - -	150	0		
	Mr. Hindley - - - - -	600	0		
	Lieutenant Clark - - - -	100	0		
	——— Cartwright - - -	300	0		
	——— Sutherland - - -	1,095	0		
	Mr. R. Scott - - - - -	400	0		
				3,091	1¾
19.	Cash paid Major Parker on receipt - - -			500	0
21.	Do. - do. - - - - - -			35,000	0
24.	Do. - do. - - - - - -			15,000	0
26.	Do. - do. - - - - - -			15,000	0
30.	Do. - do. - - - - - -			20,000	0
	Rupees			11,30,210	8½

Cr.

1821.		Rupees.	A.
	Brought forward	10,02,787	14¼
	By balance due to us - - -	1,27,422	10¼
	Rupees	11,30,210	8½

Aurungabad,
30th July 1821.

(Signed) Wm. PALMER and Co.
(Errors excepted)

No. 8.

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and CO.

Dr.

1821.		Rupees, A.	Rupees. A.
July 31.	To Balance of last account - - - -		1,27,422 10¼
	To Cash paid Major Parker on receipt	12,000 0	
	Our bill on Hyderabad on do. -	411 10¾	
			12,411 10¾
Aug. 1.	Cash paid on Major Parker's receipt	3,000 0	
	Transferred on do. on account of		
	Captain Gordon - - -	1,165 8	
	Mrs. Wheelér - - - - -	300 0	
			4,465 8
2.	Cash paid Meer Ali Nukhi Khan on receipt -		53 14
3.	Do. - Lolla Deo Chund - do. -		199 0
9.	Do. - Major Parker on receipt -	10,000 0	
	Our bill on Hyderabad for Hy. Rs. 10,300 on Major Parker's receipt	10,000 0	
			20,000 0
10.	Cash paid on do. - do. -	20,997 3½	
	Our bill on do. - do. -	5,000 0	
			25,997 3½
11.	Cash paid Major Parker on receipt - - -		5,000 0
15.	Our bill on Hyderabad in favour of Major Parker for Hy. Rs. 5,162 0½ less exchange -		5,000 0
16.	Cash paid Major Parker on receipt - -		20,000 0
17.	Transferred on do. to W. Palmer & Co's account of		
	Doctor Scott - - - - -	400 0	
	Doctor Hindley - - - -	550 0	
	Captain Clark - - - - -	100 0	
	Doctor Young - - - - -	411 10¾	
	Lieutenant Cartwright - - -	300 0	
	Captain Sutherland - - - -	919 0	
			2,680 10¾
18.	Cash paid Major Parker on receipt - -		10,000 0
23.	Do. - do. - - - - -		30,000 0
24.	Do. at Jaulna by Captain Babington for our bill on Hyderabad for 25,000 - - - - - -	24,000 0	
	Amount of Hoondies sent him -	36,600 0	
			60,600 0
26.	Cash paid Major Parker on receipt - - -		25,000 0
27.	Do. - do. - - - - - - -		10,000 0
30.	Do. - Lolla Deo Chund do. - - -		199 0
31.	Do. - Major Parker on do. - - -		20,000 0
Sept. 1.	Transferred to W. Palmer & Co's account following:		
	Captain Gordon - - - -	1,165 8	
	Mrs. Wheeler - - - - -	300 0	
			1,465 8
2.	Cash paid Major Parker on receipt - - -		26,719 5¼
6.	Do. - do. - - - - - -		10,000 0
12.	Do. - do. - - - - - -		10,000 0
13.	Do. - do. - - - - - -		10,000 0
16.	Do. - do. - - - - - -		10,000 0
17.	Do. - do. - - -	16,000 0	
	Transferred do. on account following:		
	Captain R. Browne - - - -	200 0	
	Carried forward - Rupees	16,200 0	—4,47,214 6½

Cr.

1821.		Rupees, A.	Rupees. A.
	By sums received from Rajah Govind Buksh on following dates:		
	27th September - - - -	5,575 0	
	28th do. - - - - -	9,725 0	
	29th do. - - - - -	9,700 0	
			25,000 0
	By sums received from Mahomed Sallabut Khan on following dates:		
	5th September - - - -	944 15½	
	20th November - - - -	3,500 0	
	26th do. - - - - -	40,250 0	
			44,694 15½
	By sums received from Rae Chotum Loll on		
	12th December - - -	2,00,000 0	
	16th do. - - - - -	50,000 0	
	1st January 1822 - - -	15,000 0	
	2d do. - - - - -	15,000 0	
			2,80,000 0
	By sums received from Karee Moongee Wunkut Rao on		
	23d August 1821 - - - -	30,000 0	
	20th September - - - -	20,000 0	
	29th do. - - - - -	9,000 0	
	27th November - - - -	3,052 8	
	3d December - - - -	47,062 8	
	21st Do. - - - - -	50,000 0	
	6th January - - - -	49,885 0	
			2,09,000 0
	By sums received from Hoorbajee Rao Mahadeo on		
	31st July - - - - -	500 0	
	5th August - - - - -	2,500 0	
	14th do. - - - - -	9,775 11½	
	16th do. - - - - -	1,500 0	
	17th do. - - - - -	6,175 0	
	18th do. - - - - -	1,962 0	
	19th do. - - - - -	1,150 0	
	20th do. - - - - -	2,500 0	
	23d do. - - - - -	3,600 0	
	24th do. - - - - -	1,200 0	
	27th do. - - - - -	175 0	
	28th do. - - - - -	325 0	
	29th do. - - - - -	525 0	
	30th do. - - - - -	6,860 0	
	31st do. - - - - -	1,000 0	
	1st September - - - -	400 0	
	2d do. - - - - -	652 8½	
	8th December - - - -	9,000 0	
	11th do. - - - - -	1,000 0	
	12th do. - - - - -	3,099 0	
	13th do. - - - - -	6,586 0	
	16th do. - - - - -	2,750 0	
	19th do. - - - - -	3,050 0	
	27th do. - - - - -	875 0	
	29th do. - - - - -	200 0	
	4th January - - - -	10,000 0	
	8th do. - - - - -	15,000 0	
	Carried forward - Rupees	92,340 4	—5,86,694 15½

No. 8.—(*continued.*)

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.

Dr.

		Rupees.	A.	Rupees.	A.
1821.	Brought forward	16,200	0	4,47,214	6½
Sep.	To Transferred on Major Parker's receipt on account following:				
	Lieutenant Carter	128	0		
	——— H. Kelly	64	0		
	——— Scott	200	0		
	Captain Sutherland	995	0		
	Transferred to W. Palmer & Co. account of				
	Doctor Scott	450	0		
	Doctor Hindley	550	0		
	Lieutenant Tottenham	300	0		
	——— Clarke	100	0		
	Captain Young	411	10¾		
	Lieutenant Cartwright	300	0		
				19,698	10¾
20.	Cash paid Major Parker on receipt			15,000	0
24.	Do. do.			21,000	0
	Transferred W. Palmer & Co. account of Lieutenant Clarke			200	0
27.	Cash paid Major Parker on receipt			20,000	0
28.	Do. do.			15,000	0
Oct. 1.	Do. do.	16,000	0		
	Transferred to W. Palmer & Co. on account of				
	Captain Gordon	1,165	8		
	Mrs. Wheeler	300	0		
				17,465	8
3.	Cash paid Lolla Deo Chund on receipt			199	0
10.	Do. Major Parker do.			10,000	0
11.	Do. do.			23,000	0
12.	Do. do.			1,101	5¼
15.	Do. do.			4,000	0
29.	Do. Lolla Deo Chund			199	0
30.	Do. to Major Parker on receipt			20,000	0
31.	Do. do.	5,000	0		
	Transferred to W. Palmer & Co. on account of				
	Doctor Hindley	500	0		
	Captain Young	411	10¾		
	——— Clarke	100	0		
	Lieutenant Cartwright	300	0		
	Captain Glass	400	0		
	Transferred account Captain Brown	100	0		
	Lieutenant Johnstone	30	0		
	Mr. R. Scott	400	0		
	— C. Jameson	523	5¼		
	Lieutenant J. Scott	514	0		
	Captain Sutherland	995	0		
	Mr. D. S. Young	1,000	0		
				10,274	0
Nov. 1.	Transferred to W. Palmer & Co. on account of				
	Mr. Gordon	1,165	8		
	Mrs. Wheeler	300	0		
				1,465	8
2.	Cash paid Captain Morgan on receipt			2,000	0
5.	Do. do.	10,000	0		
	Do. at Hyderabad by W. Palmer & Co.	17,312	0		
				27,312	0
7.	Do. Captain Morgan on receipt			2,000	0
11.	Do. at Hyderabad by W. Palmer & Co.			2,688	0
15.	Do. Captain Morgan on receipt			60,000	0
16.	Do. do.			30,000	0
17.	Do. do.			20,000	0
22.	Do. Captain Doveton do.			20,000	0
	Carried forward - Rupees			7,89,817	6½

Cr.

1821.		Rupees.	A.	Rupees.	A.
	Brought forward	92,340	4	5,58,694	15½
	By sums received from Hoorbajee Rao Mahadeo.				
	9th January 1822	9,350	0		
	13th do.	800	0		
	14th do.	40	0		
	15th do.	750	0		
	17th do.	2,900	0		
	18th do.	1,000	0		
	20th do.	450	0		
	24th do.	6,000	0		
				1,13,630	4
	Carried forward - Rupees			6,72,325	3½

No. 8.—(*continued.*)

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.

Dr. *Cr.*

1821.		Rupees.	A.	Rupees.	A.
	Brought forward -		-	7,89,817	6½
Nov. 23.	To Cash paid Captain Doveton on receipt -		-	10,726	0
25.	Do. - - do. - - - -		-	10,000	0
	Five Hoondies granted to Captain Doveton		-	37,255	0
	Transferred to W. Palmer & Co. on account following:				
	Doctor Hindley - - -	550	0		
	—— Scott - - - -	420	0		
	Captain Clarke - - -	400	0		
	—— Glass - - - -	400	0		
	—— Young - - -	411	10¾		
	—— Sutherland - - -	995	0		
	Mr. Jameson - - - -	523	5¼		
				3,700	0
28.	Cash paid Captain Doveton on receipt	23,000	0		
	Transferred on do. - do.	2,659	11		
	Cash paid Lolla Deo Chund on do.	199	0		
				25,858	11
29.	Do. - Captain Doveton on receipt - -			25,000	0
30.	Do. - do. - - - - - -			5,000	0
Dec. 1.	Do. - do. - - -	20,000	0		
	Transferred on account of Captain Sutherland - - - - -	995	0		
	Do. to W. Palmer & Co. on account of				
	Mr. E. Gordon - - -	1,165	8		
	Mrs. Wheeler - - -	300	0		
	Lieutenant Cartwright - -	300	0		
				22,760	8
5.	Cash paid Captain Doveton on receipt - -			26,525	7¼
6.	Do. - do. - - - - - -			10,000	0
8.	Do. - do. - - - - - -			10,000	0
10.	Do. - do. - - - - - -			10,923	10¾
14.	Do. - do. - - - - - -			10,000	0
20.	Do. - Captain Morgan on receipt - -			10,000	0
15.	Transferred to Major Davies on Captain Doveton's receipt - -	2,500	0		
	Transferred to W. Palmer & Co. on account of Mr. Scott - -	460	0		
				2,960	0
	Captain Tomkyns - - -	388	8		
	—— Glass - - -	409	0		
	—— Young - - -	1,022	8		
	—— Clarke - - -	306	12		
	—— Glass - - -	102	4		
	Lieutenant Cartwright - -	306	12		
		2,535	12		
	Deduct exchange -	55	12		
				2,480	0
	Transferred to Mr. C. Jameson -	500	0		
	Captain Yates - - -	606	0		
	—— Sutherland - -	995	0		
	Doctor Daw - - -	2,133	5¼		
				4,234	5¼
22.	Cash paid Captain Morgan on receipt - -			10,000	0
23.	Do. - do. - - - - -			10,000	0
24.	Do. - do. - - - -			15,000	0
27.	Do. - do. - - - - -			10,000	0
29.	Do. - do. - - -	10,000	0		
	Do. - Lolla Deo Chund - -	199	0		
				10,199	0
1822.					
Jan. 1.	Do. Captain Morgan on receipt - - -			15,000	0
	Do. - do. - 31st Dec. - -			5,000	0
	Transferred to W. Palmer & Co. on account of the following:				
	Mr. Gordon - - -	1,165	8		
	Mrs. Wheeler - - -	300	0		
				1,465	8
2.	Cash paid Captain Morgan on receipt - -			15,000	0
5.	Do. - do. - - - - -			20,000	0
	Carried forward -	Rupees		11,28,905	8¾

1821.	Rupees.	A.
Brought forward	6,72,325	3¼
Carried forward - Rupees	6,72,325	3¼

No. 8.—(*continued.*)

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.

Dr.

			Rupees.	A.	Rupees.	A.
1822.		Brought forward -			11,28,905	8¾
Jan. 14.	To Cash paid Captain Morgan on receipt -				10,325	10¾
16.	Do. - do. - - - - -				1,599	12¼
17.	Do. - do. - - - - -				10,000	0
19.	Transferred to Captain Grant -		1,100	0		
	—— Roberts -		472	0		
	Mr. Jameson - -		500	0		
	Captain Sutherland -		995	0		
	Mr. Daw - -		1,000	0		
	Transferred to W. Palmer & Co. account of					
	R. Scott - - -		300	0		
	Mr. Hindley - -		695	0		
	Captain Clarke -		400	0		
	—— Glass - -		400	0		
	Lieutenant Cartwright		300	0		
	Doctor Turnbull -		700	0		
					6,862	0
21.	Cash paid Captain Morgan on receipt - -				10,000	0
23.	Do. - do. - - - - -				30,000	0
25.	Balance of Interest to this date - - -				54,282	9¾
		Rupees			12,51,975	9½

Cr.

		Rupees.	A.
1822.	Brought forward - -	6,72,325	3½
Jan. 25.	By Balance in our favour - - - -	5,79,650	6
	Rupees	12,51,975	9½

Aurungabad,

(Errors excepted.)
(Signed) WM. PALMER and Co.

No. 9.

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and CO. *of AURUNGABAD.*

Dr. *Cr.*

1822.		Rupees. A.	Rupees. A.
Jan. 25.	To Balance of last account		5,79,650 6
	To Transferred to Messrs. W. Palmer & Co. error in entry		30,000 0
	Interest on do. to 24th		490 0
9.	Transferred to Nurhuny Pundit for payments at Gungakheir to the Reformed Horse on Captain Morgan's receipt		66,800 7½
26.	Cash paid on Captain Morgan's receipt		20,000 0
27.	Do. do.		25,000 0
30.	Do. do.		10,000 0
31.	Do. do.		15,000 0
Feb. 1.	Transferred to W. Palmer & Co. on account		
	Mr. Gordon	1,165 8	
	Mrs. Wheeler	300 0	
			1,465 8
2.	Cash paid on Captain Morgan's receipt		10,000 0
4.	Do. do.		14,737 12½
6.	Do. do.		25,000 0
8.	Do. do.		10,000 0
11.	Do. do.		10,000 0
13.	Do. do.		10,000 0
14.	Do. do.		10,000 0
15.	Do. do.		10,000 0
18.	Do. do.		20,000 0
22.	Our five drafts on Hyderabad for Hy. Rs. 3,677. 1½ less exchange on Captain Morgan's receipt	3,605 0	
	Transferred to Messrs. W. Palmer and Co. on do. account of		
	Captain Clarke	400 0	
	Dr. Turnbull	300 0	
	Captain Glass	400 0	
	——— Young	500 0	
	——— Hinde	416 10 8	
	Lieutenant Cartwright	300 0	
	Transferred to Mr. Jameson	500 0	
	Mr. Daw	1,000 0	
	Captain Sutherland	1,495 0	
	Lieutenant Kennedy	4,013 5½	
			12,930 0
23.	Cash paid Captain Morgan on receipt		10,000 0
24.	Do. do.	10,000 0	
	Do. Lolla Deo Chund on do.	398 0	
			10,398 0
25.	Do. Captain Morgan on do.		10,000 0
28.	For a Hoondee on Gungakhier for 5,861. 9, and paid Major Davies at do. Rs. 33,199. 8½ and exchange on Captain Morgan's receipt		39,556 0½
	Do. Captain Morgan on receipt		7,690 15½
March 1.	Transferred to W. Palmer and Co. on account of		
	Mr. Gordon	1,165 8	
	Mrs. Wheeler	300 0	
			1,465 8
	Carried forward	Rupees	9,60,184 10

1822.		Rupees. A.	Rupees. A.
	By sums received from Mahomed Sallabut Khan on following dates:		
	26th January	36,500 0	
	1st February	1,500 0	
	14th do.	5,750 0	
	18th March	28,500 0	
	28th do.	8,250 0	
	3d April	7,000 0	
	13th May	30,000 0	
	17th do.	5,000 0	
	19th do.	5,000 0	
			1,27,500 0
Mar. 25.	By amount received from Raee Chotum Loll		1,33,250 0
April 9.	Do. do.		1,16,750 0
	By sums received from Raee Moongee Wunkut Rao on following dates:		
	3d February	20,000 0	
	22d do.	50,000 0	
	27th do.	9,850 0	
	6th March	50,000 0	
	30th do.	20,000 0	
	9th May	60,000 0	
	29th do.	1,000 0	
	4th June	39,000 0	
	26th do.	30,000 0	
	1st July	20,000 0	
	30th March	20,000 0	
			3,19,850 0
	By sums received from Hoorbajee Rao Mahadeo on following dates:		
	25th January	2,000 0	
	27th do.	700 0	
	28th do.	4,000 0	
	30th do.	1,700 0	
	8th May	81,250 0	
			89,650 0
	Carried forward	Rupees	7,87,000 0

No. 9.—(*continued.*)

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co. *of AURUNGABAD.*

Dr.

1822.		Rupees. A.	Rupees. A.
	Brought forward -		9,60,184 10
March 6.	To cash paid Major Doveton on receipt - -		20,000 0
10.	Do. - do. - - - - - - -		30,000 0
11.	Do. - do. - - - - - - -		40,000 0
14.	Four Hoondies on Bombay for By. Rs. 10,000 and exchange on Major Doveton's receipt -		11,564 8
17.	Our three drafts on Hyderabad for Hyderabad Rs. 2,522. 4½ less exchange on receipt as above - - - - - - - -		2,485 0
	Transferred to W. Palmer & Co. on receipt as above account of		
	Captain Clarke - - -	400 0	
	Dr. Turnbull - - -	200 0	
	Captain Glass - - -	400 0	
	Lieutenant Cartwright - -	300 0	
	Captain Hinde - - -	416 10¾	
	Lieutenant Hislop - -	600 0	
			2,316 10¾
	Transferred to Captain Grant - -	600 0	
	——— Roberts -	200 0	
	Lieutenant Scott -	124 4	
	Mr. Jameson - -	500 0	
	C. Daw - - -	1,000 0	
	Captain Sutherland -	995 0	
			3,419 4
20.	Cash paid Major Doveton on receipt - -		30,000 0
21.	Do. - - - - do. - - -		20,000 0
23.	Do. - - - - do. - - -		15,000 0
25.	Do. - Lolla Deo Chund do. - - -		199 0
27.	Do. - Major Doveton on do. - - -		10,329 1¼
28.	Do. - - - - do. - - -		10,000 0
29.	Do. - - - - do.	10,000 0	
	Transferred to Major Parker on do.	750 0	
			10,750 0
April 1.	Cash paid Major Doveton on receipt	50,000 0	
	Transferred to W. Palmer and Co. on account of:		
	Mr. E. Gordon - - -	1,165 8	
	Mrs. Wheeler - - -	300 0	
			51,465 8
3.	Cash paid Major Doveton on receipt - -		50,000 0
4.	Do. - - - do. - - -		10,000 0
9.	Do. - - - do. - - -		30,000 0
10.	Our three drafts on Hyderabad on Major Doveton's receipt for Hy. Rs. 2,180. 4 less exchange - - - - -	2,137 8	
	Transferred to W. Palmer and Co. on receipt as above account of		
	Captain Clarke - 407 0		
	Dr. Turnbull - 305 4		
	Lieutenant Hislop 610 8		
	Captain Glass - 407 0		
	——— Kennedy, 2,238 8		
	3,968 4		
	Less Exchange - 68 4		
		3,900 0	
	Transferred to Captain Grant - -	800 0	
	——— Sutherland -	995 0	
	Mr. Jameson - -	500 0	
	C. Daw - - -	1,000 0	
			9,332 8
11.	Cash paid Major Doveton on receipt - -		14,917 8
12.	Do. - - do. - - - -		20,000 0
17.	Do. - - do. - - - -		10,000 0
	Carried forward -	Rupees	13,61,963 10

Cr.

1822.		Rupees. A.
	Brought forward -	7,87,000 0
	Carried forward -	Rupees 7,87,000 0

No. 9.—(*continued.*)

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co. *of AURUNGABAD.*

Dr.

1822.		Rupees. A.	Rupees. A.
	Brought forward -		13,61,963 10
April 20.	To Cash paid Major Doveton on receipt - -		10,000 0
22.	Our drafts on Hyderabad favour of Major Parker -		200 0
23.	Cash paid Major Doveton on receipt - -		10,000 0
26.	Do. - Lolla Deo Chund do. - - -		199 0
29.	Do. - Major Doveton on do. - -		15,000 0
30.	Do. - - - - - do. - - -		10,000 0
May 1.	Transferred to W. Palmer & Co. account of		
	Mr. Gordon - - - -	1,165 8	
	Mrs. Wheeler - - -	300 0	
			1,465 8
3.	Cash paid Major Doveton on receipt - -		20,000 0
4.	Do. - - - do. - - -		10,000 0
7.	Do. - - - do. - - -		15,000 0
8.	Do. - - - do. - - -		25,000 0
10.	Do. - - - do. - - -		15,000 0
11.	Our two drafts on Hyderabad for Rs. 1,798. 8½ less exchange - - - - -		1,754 10¾
	Transferred to W. Palmer and Co. account of		
	Captain Clarke - - -	409 0	
	Dr. Turnbull - - -	511 4	
	Captain Glass - - -	409 0	
	——— Kennedy - - -	613 8	
	Lieutenant Hislop - -	715 12	
	——— Cartwright -	84 11½	
		2,743 3½	
	Deduct Exchange on above -	60 6	
			2,682 13½
	Transferred to Captain Sutherland -	995 0	
	——— Yates -	707 0	
	Mr. Jameson -	500 0	
			2,202 0
13.	Cash paid Major Doveton on receipt - -		18,160 7½
16.	Do. - - - - - do. - - -		30,121 11½
20.	Do. - - - - - do. - - -		25,000 0
21.	Do. - - - - - do. - - -		15,000 0
23.	Do. - - - - - do. - - -		10,000 0
27.	Do. - Lolla Deo Chund - - -		199 0
30.	Do. - Major Doveton on do. - - -		10,000 0
June 1.	Do. - - - do. - -	20,000	
	Transferred to W. Palmer and Co. account of		
	Mr. Gordon - - - -	1,165 8	
	Mrs. Wheeler - - -	300 0	
			21,465 8
3.	Cash paid Major Doveton on receipt - -		10,000 0
4.	Do. - - - do. - - -		25,000 0
8.	Do. - - - do. -	23,803 8¾	
	Our draft on Hyderabad, for Rs. 9,950 less exchange favour of Lieutenant Cartwright -	9,701 4	
			33,504 12¾
9.	Our two drafts on Hyderabad for Rs. 1,947. 9¼ less exchange -	1,900 1¼	
	Transferred to W. Palmer and Co. account of following:		
	Captain Clarke - 409 0		
	Dr. Turnbull - 306 12		
	Captain Glass - 409 0		
	Lieutenant Hislop - 715 12		
	——— Kennedy 1,124 12		
	——— Cartwright 464 6		
	3,429 10		
	Deduct Exchange on do. 75 7½		
		3,354 2½	
	Transferred to Mr. Scott - -	124 4	
	Captain Sutherland -	995 0	
			6,373 7¾
14.	Cash paid Captain Tocker on receipt - -		35,000 0
16.	Do. - - - - do. - -		20,000 0
	Carried forward -	Rupees	17,60,292 9¾

Cr.

1822.	Rupees. A.
Brought forward	7,87,000 0
Carried forward	7,87,000 0

No. 9.—(*continued.*)

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co. *of AURUNGABAD.*

Dr.

1822.		Rupees.	A.	Rupees.	A.
	Brought forward - - -			17,60,292	9¾
June 18.	To Cash paid Captain Tocker on receipt -			20,000	0
22.	Do. - - Lolla Deo Chund - - -			199	0
24.	Do. - - Captain Tocker on receipt -			20,000	0
26.	Do. - - do. - - - - - -			20,000	0
28.	Do. - - do. - - - - - -			10,000	0
July 1.	Transferred to W. Palmer and Co. account of				
	Mr. Gordon - - -	1,165	8		
	Mrs. Wheeler - - -	300	0		
				1,465	8
3.	Cash paid Captain Tocker on receipt - -			60,000	0
20.	Balance of interest to this date - - -			1,07,559	12¾
		Rupees		19,99,516	14½

Cr.

1822.		Rupees.	A
	Brought forward	7,87,000	0
July 20	By balance due to us - - -	12,12,516	14½
		Rupees 19,99,516	14½

Aurungabad,
21st July 1822.

(Errors excepted)

(Signed) WM. PALMER and Co.

No. 10.

RAJAH CHUNDOO LOLL; *in Account Current with* Messrs. WILLIAM PALMER and CO.

Dr.

1822.		Rupees.	A.
July 21.	To Balance of last account - - -	12,12,516	14½
Aug. 7.	Cash paid Lolla Deo Chund on receipt -	199	0
Nov. 30.	Balance of interest to this date - - -	93,894	6
	Rupees	13,06,610	4½

Cr.

1822.			Rupees.	A.
Aug. 15.	By a transferred Mahomed Sullabut Khan - -		3,750	0
Sept. 3.	Do. -	Raee Chotum Loll - - -	1,52,923	9½
	Do. -	Hoorbajee Rao Mahadeo - -	50,000	0
	Do. -	- do. - - 9 August -	31,250	0
Oct. 13.	Do. -	Mahomed Sullabut Khan for Interest on account Kists -	1,671	5
Nov. 30.	Balance due to us - - - - -		10,67,015	6
		Rupees	13,06,610	4½

Aurungabad,
30th Nov. 1822.

(Errors excepted)

(Signed) Wm. Palmer and Co.

No. 11.

JOURNAL ENTRIES.

			Rupees.	A.	Rupees.	A.
H. 1233.						
Shabaun 24.	To paid Massalchies, &c. &c.				218	0
Rumzaun 6.	Do.				494	0
13.	Do.				894	0
14.	Do.				11	0
15.	Do.				7	0
18.	Do.				100	0
24.	Do.				218	0
Shuwaul 1.	Do.				732	6¼
8.	Do.				1,302	0
5.	Do.				100	0
11.	Do.		166	0		
14.	Do.		1,614	4¾		
					1,780	4¾

N.B. The above sums were paid to the guard and for the feed of the elephants, camels, &c., belonging to the Sircar proceeding to Aurungabad with Messrs. William Palmer and Co.

H. 1234.					
Rub'wul .	Our bill on Hyderabad per favour of Mr. H. Russell, and granted on Captain Parker's receipt for Rupees	4,019	5¾		
	viz. Bill for 4,090. 14¾ less exchange at 1¾ per cent. our 1 per cent. risk	40	3		
				4,059	8¾
Jemad'wul —	Transferred to Karee Moongee Wunkut Rao for cash advanced by him to Goondoo Pundit, for a party of Jumans, on the authority of Rajah Chundoo Loll's instructions to his Mootsudee Lolla Deo Chund as per Goondoo Pundit's receipt			100	0
24.	Messrs. William Palmer and Co. of Hyderabad, for their bill on Bombay for Bombay Rupees 2,340. 3, at 14½ per cent. per favour of Mr. H. Russell on Major Parker's receipt for 2,679. 8½, and our 1 per cent. risk 26 12¼			2,706	5¼
Rujeb 7.	Our bill on Hyderabad for Hyderabad Rupees	26,903	0		
	Deduct exchange at one per cent.	269	0½		
	On Major Parker's receipt for	26,633	15½		
	Our one per cent.	266	5½		
				26,900	5
Shabaun 1.	Our draft on Hyderabad for	41,114	6		
	Deduct exchange at one per cent.	513	15		
	Granted on Major Parker's receipt for	40,600	7		
	Add our one per cent.	406	0		
				41,006	7
Rumzaun 19.	Cash paid Mahomed Ali Soobadar, ordered by the Sircar on service with Mr. Hastings Palmer on his proceeding to Aurungabad			287	8

EXPLANATION OF SEPARATE ACCOUNT.

H. 1235.					
Jemad'wul 10.	To a bill (in favour of Mr. H. Russell and endorsed by him on Major Parker's receipt,) on us for			50,000	0
20.	A bill on us, as above on Major Parker's receipt			50,000	0
Jemad' Sanee 4.	Ditto ditto ditto			100,000	0
Rub' Sanee 20.	Transferred to Messrs. William Palmer and Co. of Hyderabad on account of stores purchased at Bombay			1,26,000	0
Jem' Sanee 4.	Our draft on Hyderabad granted on Major Parker's receipt for Baugh Chulnee rupees	2,159	0		
	Add exchange at three per cent.	64	12½		
				2,223	12½
H. 1236.					
Mohr 14.	Cash paid Rajah Chundoo Loll's order for Rupees 1,880 in part payment of arrears of pay due to Lolla Deo Chund, per his receipt			280	0
Suffer 8.	Our three drafts on Hyderabad in part of Major Parker's receipt for Rupees 7,728. 8. 6. as follows:				
	One draft in favour of Lieutenant Ricketts	49	12		
	One ditto Mr. Guard	298	8		
	One ditto Lieutenant Tomkyns	393	0½		
				741	4½

No. 11.

JOURNAL ENTRIES—(*continued*).

		Rupees.	A.
H. 1236.			
Jem' Sanee 21.	To transferred to Messrs. William Palmer and Co. of Hyderabad, amount of Rajah Chundoo Loll's order in their favour	1,846	0
Rujeb 12.	Cash paid Meer Ali Nukhu Khan on receipt as per Rajah Chundoo Loll's Ahukaun for his pay	431	0
Shabaun 2.	Ditto paid as above	53	14
Rumzaun 2.	Ditto - ditto	53	14
H. 1237.			
Suffer 9.	Transferred to Messrs. William Palmer and Co. of Hyderabad for the Rajah's order in their favour, and to be carried to his debit with the Aurungabad firm—cash paid into the Resident's treasury	17,312	0
15.	Transferred to ditto as above	2,688	0
Jemad'wul 1.	Messrs. William Palmer and Co. transferred error in entry, having at first given Rajah Chundoo Loll credit for this sum, which should have been carried to the credit of Messrs. William Palmer and Co., being a transaction with the Hyderabad Firm	30,000	0
Shabaun 18.	Our two bills on Hyderabad, granted in part of Major Doveton's receipt for Rupees 6,639. 8¼, *viz.*		
	One bill in favour of Major Parker — 1,320 3		
	One - of Dr. R. Scott — 478 5½		
	1,798 8¼		
	Deduct exchange at 2½ per cent. — 43 13¾		
		1,754	10¾
H. 1237.			
Rumzaun 18.	Our two bills on Hyderabad, granted in part of Major Doveton's receipt for Rupees 6,373. 7¾, *viz.*		
	One draft in favour of Major Parker — 1,835 12½		
	One - ditto - of Dr. R. Scott — 111 12¾		
	1,947 9¼		
	Deduct exchange ar two per cent. — 47 8		
		1,900	1¼

Hyderabad,
10th April 1823.

(Signed) WILLIAM PALMER and Co.

(Enclosure

Enclosures in Bengal Political Letter, 16 June 1823.

(Enclosure No. 2.)

Letter from Resident Hyderabad.

To G. Swinton, Esq., Secretary to Government.

Sir:

1. I have received a set of accounts from Mr. William Palmer individually, enclosed in a letter of which a copy is herewith transmitted. I add a copy of my reply.

2. In that gentleman's letter, these accounts are described as accounts of dealings which he had with the Nizam's Minister, previously to the establishment of the present house.

3. In this description there is the same spirit of concealment, misrepresentation, and deceit, which has characterized all the proceedings of Messrs. William Palmer and Co. that have come under my notice. It is intended to be inferred, that Mr. William Palmer alone had those dealings; but it is notorious that he had partners, both European and native. What he terms the establishment of the present house is also a fiction, for though some partners have gone out and others been admitted, and though it has latterly more openly assumed the designation of William Palmer and Co., the house has been one and the same from its commencement under Mr. William Palmer and his first partners, and its dealings have been continuous, though in the beginning carried on with less general publicity.

4. The accounts to which this letter refers, in their present state, would scarcely enable the Honourable the Governor-General in Council to form any judgment of the nature of the transactions reported, and require much more explanation than I have any hope of obtaining. I will hereafter submit them with all the elucidation procurable.

I have, &c.

Hyderabad Residency, Camp, Budnapoor, 21st April 1823. (Signed) C. T. METCALFE, Resident.

Letter from Mr. Wm. Palmer.

To Sir C. T. Metcalfe, Bart., Resident, &c. &c. &c., Camp.

Sir:

I have the honour to enclose you accounts of dealings with the Minister, which I had with him previous to the establishment of the present house.

The house will have the honour of forwarding to you the remaining accounts in a day or two. They are at present under examination.

I have, &c.

Hyderabad, 15th April 1823. (Signed) W. PALMER.

Letter from Resident at Hyderabad.

To William Palmer, Esq.

Sir:

1. I have received your letter of the 15th instant, and the accounts therein enclosed.

2. Lieutenant Barnett, by my desire, will apply to you for the explanations which they require.

3. I beg to be informed, whether on describing these as accounts of dealings which you had with the Nizam's Minister previously to the establishment of the present house, you mean dealings which you alone had with him, or dealings in which you had partners or colleagues; and in the latter case, who were your partners or colleagues in those dealings.

I have, &c.

Hyderabad Residency, Camp, Budnapoor, 21st April 1823. (Signed) C. T. METCALFE, Resident.

(Enclosure

Enclosures in Bengal Political Letter, 16 June 1823.

(Enclosure No. 3.)

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Sir:

Letter from Secretary to Government.

1. I am directed to acknowledge the receipt of your despatch of the 19th ultimo, submitting copies of the accounts of the Aurungabad concern, and soliciting the orders of Government as to the payment of the balance amounting to Rupees 10,67,015. 6.

2. The correctness of these accounts having, as reported in the fifth paragraph of your letter, been acknowledged by Rajah Chundoo Loll, and the charges being for the most part on account of the Nizam's army, the Governor-General in Council is not aware that any useful purpose would be answered, by delaying the payment for more minute examination into particular items; while, on the other hand, by authorizing the discharge of the amount, the Government of his Highness will in part be relieved from the heavy charge of interest to which it is now exposed. Neither does it appear to the Governor-General in Council, that the amount to be repaid to Messrs. William Palmer and Co. on this account, is of such magnitude as to render them indifferent to the adjustment of their remaining demands, which has been made to depend on the production of the other accounts within a given time.

3. You are accordingly authorized to intimate to the Minister, that you are prepared to liquidate the balance of the Aurungabad concern, after deducting the advance of four lacs already made by your Assistant, Lieutenant Barnett, on Chundoo Loll's furnishing you with the necessary voucher, authenticating the balance so to be paid through you to the house.

4. With respect to the accounts themselves, I am directed to observe, that they are unaccompanied by any interest account, the result only of the whole transactions of each year being simply entered at the end. The Governor-General in Council presumes, however, that the Minister has taken the precaution to ascertain that the calculations are correct, and that you have also satisfied yourself on this point.

5. Highly improper as was the practice of the public establishments of the Nizam being held at the call and disposal of the members of the firm, and of the expense of maintaining them, while in attendance on those gentlemen, being charged to the debit of his Highness in their accounts, the Governor-General in Council does not deem it necessary to insist on any deduction of such charges, as they have not been objected to by Chundoo Loll, and an effectual stop has been put to such abuses in future, by the interdiction of all intercourse of the house with the Minister, except through the British Resident.

6. I am directed to take this opportunity of acknowledging the receipt of your despatch of the 21st ultimo, submitting, with your remarks, a copy of a letter from Mr. William Palmer, accompanying the accounts of dealings which he states to have had individually with the Minister previous to the establishment of the present firm. The Governor-General in Council awaits the receipt of those accounts, and of the explanation from Mr. William Palmer, called for in your reply to him, the tenor of which is entirely approved.

7. Your three despatches of the 22d ultimo, replying to particular paragraphs of the instructions of the 29th March last, have also been received, but do not appear to call for any observations at present.

I have, &c.

Fort-William,
9th May 1823.

(Signed) G. SWINTON,
Secretary to Government.

(Enclosure No. 4.)

To G. Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

I have at length received from Messrs. William Palmer and Co. professed copies of their accounts with the Nizam's Minister. These, in their present state, afford very little information as to the nature of the transactions which they describe,

describe, or disguise, and I have no expectation that complete information will ever be elicited: but I have applied for further explanations, which, when received, shall be submitted, together with the accounts.

Enclosures in Bengal Political Letter, 16 June 1823.

I have, &c.

Hyderabad Residency, Camp, Karla, 30th April 1823. (Signed) C. T. METCALFE, Resident.

Letter from Resident at Hyderabad.

(Enclosure No. 5.)

To G. Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

1. Messrs. William Palmer and Co. having at length given in their Hyderabad accounts, I shall proceed, under the authority conveyed in your despatch of the 11th ultimo, to discharge the remaining balance of the Aurungabad account, taking credit, on the part of the Nizam's Government, for the advance which Messrs. William Palmer and Co. have already received from the Residency Treasury.

2. The settlement of the Aurungabad account will so far relieve the Nizam's Government from the further payment of the present heavy interest of twenty-five per cent. which is accumulating on the balances of that account, and will properly put in train the discharge of the whole debt, by commencing with a portion bearing the highest rate of interest.

3. It will also be highly beneficial to Messrs. William Palmer and Co., if their professed wants are real; and will, at least, assist to prevent loss or embarrassment to them from too sudden a discharge of the whole debt.

4. I trust that these inducements to pay off the Aurungabad balances will procure the approbation of the Honourable the Governor-General in Council to the present adoption of this measure, without waiting for the numerous explanations which the Hyderabad accounts require, and which cannot be expected without further delay.

I have, &c.

Hyderabad Residency, Camp, Purtoor, 1st May 1823. (Signed) C. T. METCALFE, Resident.

(Enclosure No. 6.)

To G. Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

1. I lately reported, that I had received a set of accounts from Mr. William Palmer individually, professing to be accounts of transactions had by him with the Nizam's Government, and that I had invited him to state whether those transactions with the Nizam's Government were by himself alone, or in concert with others, and in the latter case, who had been his partners or colleagues.

2. I have now received his reply. It is in the usual shuffling and equivocating style of the communications which come from that quarter. A copy is enclosed. It evades an answer to the real question, and pretends to answer one which was not put.

3. Mr. William Palmer states, that the accounts were signed by himself alone, as no partner of the present establishment, except Bunketty Dos, was concerned in the dealings to which those accounts refer.

4. I did not ask him why he alone signed the accounts, but whether or not he had any partner or colleagues in those dealings; and if he had, who they were.

5. It is to be collected from his reply, that Bunketty Dos was a partner in those transactions; and it may, I think, be inferred from his evasion of the question, that others were also, whom he does not choose to name. Yet in transmitting those accounts, he describes them as relating to dealings which he

Enclosures in Bengal Political Letter, 16 June 1823.

Letter from Resident at Hyderabad.

had had with the Nizam's Government, avoiding any allusion to the existence of a partnership with Bunketty Dos or any other persons.

6. This conduct will, no doubt, appear to the Honourable the Governor-General in Council to be of a piece with the systematic concealment and disguise practised by Messrs. William Palmer and Co. in their transactions generally; and its natural tendency is, to confirm the most unfavourable impressions with regard to their dealings.

7. I shall make another effort to obtain an answer from Mr. William Palmer to the question put by me; not, however, with much expectation of eliciting the truth.

I have, &c.

Hyderabad Residency, Camp, Jaum, 3d May 1823. (Signed) C. T. METCALFE, Resident.

Letter from Mr. Wm. Palmer.

To Sir Charles T. Metcalfe, Bart., Resident, &c. &c. &c., Camp.

Sir:

I have the honour to acknowledge the receipt of your letter of 21st April.

In reply to the third paragraph, I beg to inform you, that the accounts forwarded to you with my letter of the 15th instant were signed by me alone, as no partner of our present establishment, except Bunketty Dos, was concerned in the dealings to which those accounts refer.

I have, &c.

Hyderabad, 28th April 1823. (Signed) WM. PALMER.

(Enclosure No. 7.)

Letter from Secretary to Government.

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Sir:

1. I am directed to acknowledge the receipt of your letter of the 1st instant, reporting your intention to discharge the remaining balance of the Aurungabad account, and to acquaint you, in reply, that the Governor-General in Council approves of that measure, which had indeed been authorized by the instructions of the 9th instant.

2. Your despatch of the 3d May has also been received and submitted to the Honourable the Governor-General in Council.

I have, &c.

Fort-William, 23d May 1823. (Signed) G. SWINTON, Secretary to Government.

(Enclosure No. 8.)

Letter from Resident at Hyderabad.

To G. Swinton, Esq., Secretary to Government.

Sir:

1. I have now the honour to report on several points noticed in the tenth, eleventh, twelfth, thirteenth, and fourteenth paragraphs of your second despatch of the 15th January.

2. Respecting the allowances referred to in the eleventh and twelfth paragraphs, the Nizam's Minister professes a ready disposition to attend to the advice and recommendation of the Honourable the Governor-General in Council, even if he should prescribe the discontinuance of those allowances.

3. The Minister denies that Sir William Rumbold has received any such allowance. On this point I have nothing further to communicate. There is no reason, from any part of Sir William Rumbold's conduct, to suppose that he would allow his brother and the other partners of the house to receive such allowances, without having his share of the booty in some way. He may have preferred it in the shape of occasional presents or largesses, instead of any fixed allowance; and it is said that these were most frequent, and

of

Enclosures in Bengal Political Letter, 16 June 1823.

Letter from Resident at Hyderabad.

of greatest value, on the occurrence of supposed opportunities for exerting the influence ascribed to him by Rajah Chundoo Loll. Though I give credit to the general report of his having received large remunerations from the Nizam's Minister in some shape, in exchange for his supposed support, I am not able to furnish any ascertained particulars.

4. Rajah Chundoo Loll has supplied an account particular of the sum mentioned in the 14th paragraph of your letter, which makes it appear that the whole charge was on account of purchases from Messrs. William Palmer and Co. As this explanation is not reconcileable with the Rajah's mysterious reluctance to state the particulars of that charge formerly, there is some room for a suspicion, that the particular account has been made up for the purpose of concealment. No information is to be expected from that quarter, when Chundoo Loll is on his guard against inquiry.

5. A list of all pensions and allowances to British subjects will be included in the statements under preparation for submission.

I have, &c.

Hyderabad Residency, Camp, Unjundhon, 10th May 1823. (Signed) C. T. METCALFE, Resident.

(Enclosure No. 9.)

To G. Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

In obedience to the instructions contained in your letter of the 7th of February, I have the honour to submit a statement of the allowances received from his Highness the Nizam by officers of his Majesty's or the Honourable Company's service, civil and military, in his employ.

I have, &c.

Hyderabad Residency, Camp, Unjundhon, 10th May 1823. (Signed) C. T. METCALFE, Resident.

LIST

LIST *of Officers of His Majesty's and the Honourable Company's Service employed by His Highness the Nizam.*

NAMES.	Rank and Station in His Majesty's or Honourable Company's Service.	Rank in His Highness the Nizam's Service.	Situation in the Nizam's Service.	Monthly Allowances, Military.	Monthly Allowances, Civil.	Allowances how paid.
				Hydr. Rupees.	Hydr. Rupees.	
Adam, John	Lieutenant, Madras Native Infantry .	Lieutenant	Adjutant of Battalion	700	.....	By the Paymaster, under the Resident's orders.
Arrow, Charles ...	Ensign, His Majesty's 89th Regiment	Lieutenant	Adjutant of Battalion.....	700	.....	Through the Residency Treasury.
Barnett, H. L. ...	First Assistant to the Resident, and Lieutenant 23d Bengal Native Infantry.....	....	Civil Employment	.....	1,193	Ditto.
		....	Civil Employment	.....	1,330	Ditto.
Baxter, John	Captain, 21st Madras Native Infantry	Captain Commandant	Commandant of Battalion ...	1,200	.....	By the Paymaster, under the Resident's orders.
Brown, R.	Captain, His Majesty's 24th Regiment	....	Civil Employment	.....	1,200	Through the Residency Treasury.
Bushby, G.A.	Bengal Civil Service, and Extra Assistant to the Resident	Lieutenant	Lieutenant of Infantry	400	.....	Ditto.
Bushby, J. S.	Ensign, 8th Madras Native Infantry .	Captain Commandant	Civil Employment	.....	1,200	Ditto.
Campbell, Ive.....	Lieutenant and Brevet Captain, 12th Bengal Native Infantry	Ditto	{Commandant of Horse, and Civil Employment .....}	1,000	.726	{In part by the Paymaster, and in part from Residency.
Clark, William ...	Lieutenant, 7th Bombay Native Infantry.....	Ditto	Commandant of Battalion ...	1,200	.....	From Residency.
Currie, James.....	Ensign, His Majesty's 89th Regiment	Lieutenant-Colonel .	Commander of Division	3,000	.....	Ditto.
Doveton, John	Lieutenant-Colonel, 7th Madras Light Cavalry.....	Major	Commander, Cavalry Brigade	2,500	.....	Under the Resident's orders.
Davies, Evan	Captain, 7th Bombay Native Infantry	....	Judge Advocate.....	1,200	.....	By the Paymaster, under the Resident's orders.
Godley, William...	Captain, 23d Madras Native Infantry	Captain	Major of Brigade	1,000	.....	Ditto.
Grant, C. T.	Paymaster, His Majesty's Royal Scots	Captain	Adjutant of Battalion	700	.....	Ditto.
Glass, James	Lieutenant and Brevet Captain, 16th Madras Native Infantry	Ditto	Captain of Cavalry Brigade...	500	.....	Ditto.
Grant, C. St. John .	Lieutenant and Brevet Captain, 4th Madras Native Infantry	Surgeon	Staff Surgeon of Brigade.....	1,000	.....	Ditto.
Greig, Robert.....	Assistant Surgeon, Madras Establishment					

Gordon, Sir John ...	Captain, His Majesty's 13th Light Dragoons	Captain Commandant	Commandant of Horse	1,000	.....	Ditto.
Hare, Andrew	Captain, 7th Bombay Native Infantry	Major	Commandant of Infantry Brigade	2,500	.....	Through the Residency Treasury.
Heude, William ...	Captain, 23d Madras Native Infantry	Captain	Captain of Infantry.....	500	.....	By the Paymaster, under the Resident's orders.
Holroyd, George...	Lieutenant, 29th Bengal Native Infantry, commanding Resident's Guard	....	In charge of the Police of Bazars and Environs of the Residency	1,500	(A).	From the Nizam's Government.
Holroyd, James ...	Lieutenant, half-pay Royal Navy ...	Captain	Captain of Cavalry.....	500	.....	Under the Resident's orders.
Hislop, William ...	Cornet, His Majesty's 13th Light Dragoons	Lieutenant	Lieutenant and Extra Adjutant of Cavalry.....	700	.....	Ditto.
Jeffreys, John.....	Surgeon, Madras Establishment, and Residency Surgeon	....	Physician to the Durbar	.....	(B)1,393	Through the Residency Treasury.
Kitchen, James ...	Captain, Madras Artillery.....	Captain	Brigade Major	900	.....	Ditto.
Keir, George	Lieutenant and Brevet Captain, His Majesty's 67th Regiment.....	Ditto	Adjutant of Battalion.....	700	.....	By the Paymaster, under the Resident's orders.
Kennedy, Thomas .	Lieutenant, His Majesty's 67th Regiment	Lieutenant	Ditto	600	.....	Ditto.
Kelso, Fleming ...	Lieutenant, His Majesty's 13th Dragoons.....	Ditto	Lieutenant of Cavalry.....	500	.....	Ditto.
Lee, George	Lieutenant, 8th Madras Native Infantry.....	Captain	Civil Employment	.....	1,200	Through the Residency Treasury.
Ledlie, William ...	Lieutenant and Brevet Captain, Bengal Native Infantry	Captain Commandant	Commandant of Battalion ...	1,200	.....	By the Paymaster, under the Resident's orders.
Lock, Henry	Ensign, Bengal Native Infantry.....	Lieutenant	Major of Brigade	1,000	.....	Under the Resident's orders.
Morgan, John.....	Captain, 12th Madras Native Infantry	Captain Commandant	Paymaster of Division, and Civil Employment	1,200	569 8	Military Allowance by the Paymaster, Civil Allowance Residency Treasury.
M'Kenzie, T.....	Lieutenant, His Majesty's 13th Dragoons.....	Captain	Military Assistant and Captain of Cavalry.....	1,200	.....	Through the Residency Treasury.
Meikle, George ...	Surgeon, Madras Establishment.....	Surgeon	Staff Surgeon of Division ...	1,000	.....	Ditto.
Morgan, Nathaniel.	Assistant Surgeon, Bengal Establishment	Assistant Surgeon ...	Assistant Surgeon of Infantry	600	.....	By the Paymaster, under the Resident's orders.
Moore, J. A.	Lieutenant, half-pay Royal Navy ...	....	Paymaster of Division	1,000	.....	Through the Residency Treasury.

LIST *of Officers of His Majesty's and the Honourable Company's Service, &c.*—(continued.)

NAMES.	Rank and Station in His Majesty's or Honourable Company's Service.	Rank in His Highness the Nizam's Serviee.	Situation in the Nizam's Service.	Monthly Allowances, Military.	Monthly Allowances, Civil.	Allowances how paid.
				Hydr. Rupees.	Hydr. Rupees.	
Oliphant, James ...	Lieutenant, Madras Engineers	Captain Commandant	Commandant of Engineers ...	1,200	.....	Through the Residency Treasury.
Oliphant, William .	Lieutenant, Bengal Artillery	Ditto	Commandant of Artillery ...	1,000	.....	By the Paymaster, under the Resident's orders.
Pitman, Robert ...	Lieutenant-Colonel, 6th Bengal Native Infantry	Lieutenant-Colonel .	Commander of Division	3,000	.....	Ditto.
Parker, Robert ...	Major, 3d Madras Cavalry	Major	Commander of Brigade	2,500	.....	Ditto.
Roberts, A.....	Captain, 8th Madras Native Infantry	Captain Commandant	Commandant of Battalion ...	1,200	.....	Ditto.
Ridehout, R.	Lieutenant, 7th Bengal Native Infantry.....	Lieutenant	Adjutant of Horse	700	.....	Ditto.
Ricketts, R. H. ...	Lieutenant, Madras Native Infantry	Ditto	Lieutenant of Infantry.....	400	.....	Ditto.
Reynolds	Ensign, Madras Native Infantry ...	Ditto	Ditto	400	.....	Ditto.
Russell, Henry ...	Ensign, Madras Native Infantry ...	Ditto	Ditto	400	.....	Through the Residency Treasury.
Ralph, James.....	Bengal Pensioner	....	Civil Employment	.....	(c) 1,600	Ditto.
Rice, David	Lieutenant, half-pay Royal Navy ...	Lieutenant	Lieutenant of Infantry.....	400	.....	Ditto.
Scott	Assistant Surgeon, Madras Establishment	Assistant Surgeon ...	Assistant Surgeon of Infantry	600	.....	By the Paymaster.
Seyer, R. T.	Captain, 28th Bengal Native Infantry	Major	Commander of Brigade and Civil Employment	2,500	.....	By the Paymaster, under the Resident's orders.
Smith	Captain, 8th Madras Cavalry	Captain Commandant	Commandant of Horse	1,000	.....	Ditto.
Swinton, Richard ..	Captain, His Majesty's 17th Regiment	Captain	Adjutant of Battalion.....	700	.....	Ditto.
Stratton, Francis...	Lieutenant, 8th Madras Cavalry ...	Ditto	Brigade Major	1,000	.....	Ditto.
Sutherland, John...	Lieutenant, 3d Bombay Cavalry ...	Captain Commandant	Commandant of Horse, and Civil Employment	1,000	594	Military Allowances under the Resident's orders, Civil Allowances through the Residency Treasury.
Sotheby, Frederick	Lieutenant, Bengal Artillery	Ditto	Commandant of Artillery.....	1,200	.....	By the Paymaster, under the Resident's orders.
Sutherland, Eric ...	Lieutenant, 18th Bengal Native Infantry	Lieutenant	Lieutenant of Cavalry.....	500	.....	Under the Resident's orders.

Tocker, John	Captain, 20th Madras Native Infantry	Captain Commandant	Brigade Major	1,000	.....	By the Paymaster, under the Resident's orders.
Tomkyns, George .	Lieutenant and Brevet Captain, Bengal Native Infantry	Ditto	Commandant of Battalion ...	1,200	.....	Ditto.
Tomkinson, Thomas	Surgeon, Madras Establishment.....	Surgeon	Staff Surgeon of Division.....	1,200	.....	Ditto.
Twinlow, G.	Lieutenant, Bengal Artillery.....	Captain Commandant	Commandant of Artillery.....	1,200	.....	Ditto.
Wells, Richard ...	Bengal Civil Service, Second Assistant to the Resident	....	Civil Employment	.....	1,400	Through the Residency Treasury.
Yates, Charles ...	Captain, 13th Madras Native Infantry	Captain Commandant	Commandant of Battalion ...	1,200	.....	By the Paymaster, under the Resident's orders.
Young, Mathew ...	Captain, His Majesty's 53d Regiment	Ditto	Ditto	1,200	.....	Ditto.
Young, Donald ...	Assistant Surgeon, Madras Establishment	Surgeon	Surgeon of Cavalry	800	.....	Ditto.

NOTES.

(A.) This allowance to the Officer commanding the Resident's Guard seems to have been fixed about twenty years ago, during the Residency of Lieutenant-Colonel Kirkpatrick, in lieu of Duties from the Residency Bazars which the Commandant of the Guard previously received, but which have since been collected by the Nizam's Government, varying in amount from three to five thousand Rupees per mensem. There are other perquisites attached to this office, derived from the Bazars, amounting on an average to 1,000 Rupees per mensem. There is no allowance from the Company to this Officer as commanding the Guard, beyond the pay and allowances of his rank. Lieutenant Holroyd is active and zealous in the charge of the Police of the Bazars and environs of the Residency, and his services in that department are very valuable.

(B.) This appointment, annexed to that of Residency Surgeon, was established, with the allowance above stated, during the Residency of Lieutenant-Colonel Kirkpatrick, or that of Captain Sydenham, and has been held since by all the Residency Surgeons in succession.

(C.) Mr. Ralph is included in this list, because he receives the amount of military pay and allowances from the honourable Company. He was employed during the Residency of Mr. Russell in civil duties in the Nizam's country. On that account he has been retained in existing arrangements, and his former allowances have been continued.

The intrinsic difference between the Hyderabad and the Calcutta Rupee is reckoned in the Company's accounts at 119 Hyderabad Rupees to 100 Calcutta Rupees: the actual difference may be more fairly estimated at 125 to 100. The Exchange on Bills varies from twenty to thirty per cent., but for some time past has been low.

(Signed) C. T. METCALFE,
Resident.

Enclosures in Bengal Political Letter. 16 June 1823.

Letter from Resident at Hyderabad.

(Enclosure No. 10.)

To G. Swinton, Esq., Secretary to Government.

Sir:

1. I have the honour to submit a list of officers in the Nizam's service, who neither belong to his Majesty's army nor to that of the Honourable Company, with a statement of their allowances.

2. Some of these are European, and others are of European fathers by Indian mothers.

I have, &c.

Hyderabad Residency, Camp, Mominabad, 12th May 1823. (Signed) C. T. METCALFE, Resident.

LIST *of Officers in the Nizam's Army, neither in the Service of his Majesty nor in that of the Honourable Company, specifying the Allowance received by each respectively from his Highness's Government.*

NAMES.	RANK AND STATION.	Salary or Allowance.
		Hyderabad Rupees
Ager, W.	Lieutenant of Infantry	400
Betts, T.	Ditto ..... ditto	400
Blake, W	Captain Commandant Garrison Battalion	968
Burr, F. W.	Lieutenant and Adjutant of Infantry	700
Carter, W.	Lieutenant of Infantry	500
Doveton, T.	Ditto ..... ditto	400
Fair, T.	Ditto ..... ditto	400
Freeman, C.	Major, commanding Irregular Brigade	1,168
Freeman, C. H.	Lieutenant and Adjutant, Invalid Battalion	200
Giraud, —.	Assistant-Surgeon of Infantry	600
Goldsmith, —.	Lieutenant, Garrison Battalion	300
Grant, W.	Lieutenant of Infantry	400
Gurnell, F.	Lieutenant, Invalid Battalion	200
Hampton, —.	Lieutenant of Infantry	400
Hendley, —.	Assistant-Surgeon of Infantry	600
Jameson, —.	Ditto ..... Ditto	600
Johnson, J. C.	Captain of Infantry	500
Johnson, J.	Lieutenant of Infantry	400
Johnson, B.	Lieutenant and Commissary of Stores	400
Johnson, Jno.	Lieutenant of Infantry	400
Kelly, J. C.	Ditto ..... ditto	400
Kelly, C. W.	Lieutenant and Adjutant, Garrison Battalion	400
Lamb, G.	Surgeon and Medical Storekeeper	1,500
Lawrence, —.	Lieutenant of Artillery	400
Laing, W.	Assistant-Surgeon of Infantry	600
Mottet, E.	Captain and Major of Brigade	1,000
Mottet, A.	Captain and Paymaster	1,000
M'Clacklan, —.	Assistant-Surgeon of Cavalry	600
Patterson, —.	Captain Invalid Battalion	500
Peyton, J.	Lieutenant and Commissary of Stores	400
Riddell, R.	Assistant-Surgeon of Infantry	600
Robison, H.	Captain, Garrison Battalion	1,000
Roebuck, —.	Lieutenant of Infantry	400
Scott, —.	Lieutenant and Adjutant of Infantry	600
Stoddard, H.	Lieutenant of Infantry	400
Tucker, W.	Ditto ..... ditto	400
Turnbull, —.	Assistant Surgeon of Cavalry	600
Wiltshire, —.	Captain of Infantry	600
Young, T. S.	Lieutenant of Infantry	400

These Officers are paid through the Paymasters of the Divisions to which they belong, under the directions of the Resident.

Mr. Lamb is one of the partners in the house of Messrs. William Palmer and Co.

(Signed) C. T. METCALFE, Resident.

(Enclosure

Enclosures in Bengal Political Letter, 16 June 1823.

Letter from Secretary to Government.

(Enclosure No. 11.)

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Sir:

1. I am directed to acknowledge the receipt of your despatches of the 10th and 12th ultimo, the former enclosing a list of officers in his Majesty's and the Honourable Company's service, and the latter a list of other British subjects, all of whom are in the receipt of allowances from the Government of his Highness the Nizam.

2. In the latter list, the Governor-General in Council observes the name of Mr. Lamb, one of the partners of the house of Messrs. William Palmer and Co., who is stated to receive an allowance of Rupees 1,500 per mensem, as surgeon and medical store-keeper. With respect to this appointment, I am directed to observe to you that it is deemed highly objectionable that any partner of that firm should hold an office or commission under his Highness's Government, and to desire that you will intimate to the Minister that Mr. Lamb can no longer be permitted to hold the situation in question, which you will accordingly require him to resign forthwith.

3. The same principle is to be applied to the case of any other individual connected with the house, who may hold employment under the Government of the Nizam. The Governor-General in Council is not aware whether Mr. Robison, stated in the second list to belong to a Garrison Battalion, with a salary of Rupees 1,000 per mensem, be the individual mentioned in your despatch of the 1st August last, who would appear to be an agent of the house stationed at Madhapore. Should he prove to be the same person, he must be required to make his election, vacating his situation in the Nizam's army, if he prefer continuing to be an agent of the house.

4. With regard to the list of British officers in the service of his Majesty and the Honourable Company, presuming that the number, rank, and allowances there specified are duly proportioned to the extent of the force, and the nature and importance of the duties assigned to the several officers, and that their proper duties are regularly and punctually performed, the Governor-General in Council has no remark to offer, except on the following cases to which explanatory notes have been added by you.

5. The first is the case of Lieutenant Holroyd, commanding the Resident's escort, who it appears receives a monthly allowance of Rupees 1,500, as being charged with the police of the bazars and environs of the Residency, besides enjoying other perquisites and emoluments amounting on an average to Rupees 1,000 per mensem. This aggregate allowance from the Nizam's Government of Rupees 2,500 drawn by the officer commanding the escort, appears to be quite disproportionate to the duties for which it has been assigned. The nature of the perquisites and emoluments, amounting on an average to a thousand rupees per mensem, has not been detailed; but under the impression just stated, it appears to the Governor-General in Council that they should either be entirely abolished, or the amount be carried to the account of the Nizam's Government, similarly to those collections in commutation for which the salary of Rupees 1,500 per mensem was allotted. As you state Lieutenant Holroyd's services to be valuable, and as he has actually been in the enjoyment of the latter sum as a recognized allowance, though hitherto unknown to the Government, the Governor-General in Council does not propose to direct any further immediate change. You will be pleased, however, to report your opinion, as to the expediency of continuing, after Lieutenant's Holroyd's retirement, to vest in the hands of the officer commanding the Resident's escort, the charge of the police of the bazars and environs of the Residency, and the amount of salary which will form a suitable remuneration for the duty.

6. The second case is that of the Surgeon of the Residency, who receives an allowance from the Nizam's Government of Rupees 1,393, as Physician to the Durbar. This allowance appears to have been, since it was first granted, invariably received by the Surgeon of the Residency. If that officer shall have actually attended the Nizam and his family as a medical adviser, and if

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he was and continues to be the unbiassed choice of his Highness, the Governor-General in Council does not perceive any objection to the arrangement, or to the amount of the remuneration; but before confirming it, he desires to be satisfied on those points.

Letter from Secretary to Government.

7. With regard to the third and last case, you will be pleased to report the nature of the duties performed by Mr. Ralph, and to state your opinion as to the expediency of keeping up the appointment held by that individual on its present footing.

8. Respecting the Nizam's Military Establishment generally, the Governor-General in Council relies on your vigilance and attention for restraining it within the most economical limits, consistently with the efficiency of the service and the reasonable claims of the individuals employed.

I have, &c.

Fort-William, 6th June 1823.

(Signed) G. SWINTON, Secretary to Government.

Letter from Resident at Hyderabad.

(Enclosure No. 12.)

To G. Swinton, Esq., Secretary to Government.

Sir:

1. I submit copies of the replies received from two of the partners of the firm of William Palmer and Co. to the letters conveying the questions put to them by order of the Honourable the Governor-General in Council. A copy of the questions is also enclosed.

2. Mr. William Palmer declines to answer those questions, because it would be ignominious to betray confidence reposed in him. There is, I fear, but one construction to be put on his reply; for I can hardly suppose that he would leave any of the gentlemen mentioned in the questions under the stigma of an imputed participation in his transactions, if by his testimony he could remove it.

3. Mr. Lamb's reply is also a virtual refusal to answer those questions fairly; for he confines his answer to the period of his own connexion with the house. It is impossible to suppose, that having been a partner in the house for several years, he can be entirely ignorant respecting its prior connexions and transactions; and from the knowledge which Government now possesses of Mr. Sotheby's connexion with the house, the credit due to Mr. Lamb's professed ignorance on other parts of the questions addressed to him may be justly appreciated.

4. It is evident, that these gentlemen wish to avoid the exposure of those who have been concerned with their firm, and I do not reproach them for that wish; but of what sort is that commercial establishment, in which it would be ignominious to name the partners? and what title has this firm shewn to patronage and favour, whose conduct during its whole existence, from its first application for support to the present moment, has been a tissue of imposition, concealment, deceit, falsehood, and treachery towards the British Government, to whose fostering protection and influence it owes all its advantages? In all this Mr. William Palmer sees no ignominy!

I have, &c.

Hyderabad Residency, Camp, Burdapore, 15th May 1823.

(Signed) C. T. METCALFE, Resident.

Letter from Mr. Wm. Palmer.

To Sir Charles T. Metcalfe, Bart., Resident, &c. &c. &c., Hyderabad.

Sir:

I have the honour to acknowledge the receipt of your letter of the 22d ultimo, transmitting a set of queries from the Honourable the Governor-General in Council.

I had

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Letter from Mr. Wm. Palmer.

I had the honour to submit to you with deference, that I could not consistently with the maintenance of my credit and integrity, betray any confidence, to the injury of another, which might have been reposed in me; and I had humbly conceived, from the purport of the second paragraph of your letter of the 14th February, that the Hon. the Governor-General in Council had graciously been pleased not to enforce these questions, inasmuch as an option had been given to me in regard to answering them. I entreat that I may be permitted to avail myself of this option.

I further beg to add most respectfully, that I cannot, under any circumstances, violate the confidence of another person: but should the Hon. the Governor-General in Council deem it proper still to press the questions upon me, I have no resort but in a reference to such as may have been connected with me, for their sanction to an explicit answer being given to these queries. This sanction can alone justify my compliance, and save me from ignominy. I earnestly hope, that the Government will be graciously pleased to relieve me from the necessity of making such an appeal.

I have, &c.

Hyderabad,
10th May 1823.

(Signed) Wm. Palmer.

Letter from Mr. Lamb.

To Sir Charles T. Metcalfe, Bart., Resident, &c. &c. &c., Camp.

Sir:

I have the honour to acknowledge the receipt of your letter of the 22d April, transmitting a set of questions, to which I beg to offer the following answers.

Questions 1st, 2d, and 3d. My knowledge of the transactions of the house of William Palmer and Co. extends only to the period from which I joined it; and within that time Mr. Hans Sotheby has not had any connexion, directly or indirectly, with the house, more than any other of our constituents.

Question 4th. Mr. Sotheby's account has been kept in the same manner as the accounts of our other European constituents, and the same rate of interest allowed and charged, not exceeding twelve per cent. per annum.

Question 5th. No payment, as a gratuity, has been made to Mr. Sotheby since I have joined the house.

Question 6th. I have not seen such a deed.

Questions 7th and 8th. Neither Mr. Henry Russell nor Mr. Charles Russell has been connected with the house since I have joined it; nor has either of them, directly or indirectly, derived profit from any pecuniary dealings, beyond the ordinary interest for money allowed to our other European constituents generally.

Questions 9th and 10th. Neither of the parties mentioned in these questions has been a partner in the house since I have joined it, and I am entirely ignorant of any particulars regarding their connexion with it.

I have, &c.

Hyderabad,
9th May 1823.

(Signed) G. Lamb.

Questions.

1. Has Mr. Hans Sotheby, at any period of time, been directly or indirectly connected in business with the house of William Palmer and Co. at Hyderabad, or with any one of the members of that house, before or after their assumption of their present designation; and, in consequence of that connexion or otherwise, has Mr. Hans Sotheby, directly or indirectly, been engaged in pecuniary dealings with the Government of his Highness the Nizam?

2. Was such connexion, if it existed, avowed or secret?

3. State the date on which Mr. Hans Sotheby may have become connected with the house, or with any of its members, since the first establishment of Mr. William

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William Palmer and Bunketty Doss in business at Hyderabad, and the date on which Mr. Hans Sotheby may have withdrawn from such connexion.

4. Has Mr. Hans Sotheby derived more than twelve per cent. for any money lodged with the house of William Palmer and Co., since the period when Mr. Hans Sotheby may have retired from the partnership?

5. Did Mr. Hans Sotheby receive any payment, as a gratuity or compensation from the house, on his retiring from the partnership, or on any other account?

6. Did Mr. Hans Sotheby, as a partner of the house, sign a deed of release to Doctor Currie on his retiring from the firm; and did this act, on Mr. Sotheby's part, take place before or after the voluntary affidavit by Mr. William Palmer and Sir William Rumbold was taken before him, in his capacity of Assistant in charge of the Residency?

7. State whether, to your knowledge or the best of your belief, Mr. Henry Russell was at any time connected with the house of William Palmer and Co., or with any one of the members of that house, before or after their assumption of their present designation, or derived profit from any pecuniary dealings with that house, or Mr. William Palmer and others, beyond the ordinary interest allowed to their constituents generally. State the period of his joining the house, or Mr. William Palmer, in any concern, and of his retiring from it, or of his deriving such extraordinary profits.

8. Do you know or believe that Capt. Charles Russell was similarly, or otherwise, connected with that house or Mr. William Palmer, or whether he derived from such connexion any extraordinary profit, beyond the interest allowed to other constituents? State the particulars.

9. State the particulars of the connexion of Mr. Russell, of the Madras Engineers, with the house or with Mr. William Palmer.

10. State the same of Dr. Currie's connexion with the house or with Mr. William Palmer.

(Enclosure No. 13.)

Letter from Resident at Hyderabad.

To G. Swinton, Esq., Secretary to Government.

Sir:

1. I have already apprized you, that having received a set of accounts from Mr. William Palmer, described by him as of dealings had by him with the Nizam's Government, I had requested to be informed, whether he was alone in those dealings or had colleagues, and if the latter, who they were, and further, that having received an evasive answer from Mr. William Palmer, confined to an uncalled-for explanation of his reasons for signing those accounts alone, I intended to address him again on the subject. I now submit a copy of his final reply, with one of my last letter to him.

2. From his declining to answer the question, it is conclusive that he had partners or colleagues in those transactions, whose names he does not choose to expose; and it is shewn, that in endeavouring to pass off those accounts as being of dealings between him and the Nizam's Minister, from which was to be inferred that he alone had those dealings, he was practising a new imposition on Government.

3. It is scarcely worth while to comment on the absolute falsehood of his pretending to have misunderstood the question put to him. It was too plain to be misunderstood.

4. It may be observed, that the communication from Mr. William Palmer, herein inclosed, is in answer to a letter from me of the 3d instant. I received this at the same instant with his reply to my letter of the 22d April, containing the detailed queries which he has declined to answer. This shews that the partners of the house have taken time to concert their replies to the queries. Mr. Lamb had gone to meet Sir William Rumbold on his way from Calcutta to Madras: Mr. William Palmer and Mr. Hastings Palmer were at Hyderabad; but

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but no answer was written to the queries till Mr. Lamb's return. Mr. Hastings Palmer has not yet answered, neither has Sir William Rumbold.

I have, &c.

Hyderabad Residency, Camp, Burdapore, 15th May 1823. (Signed) C. T. METCALFE, Resident.

Letter from Resident at Hyderabad.

To William Palmer, Esq., Hyderabad.

Sir:

1. I beg permission to point out to you, that your letter of the 28th ultimo, does not contain an answer to the questions put in mine of the 21st ultimo.

2. These were, whether in the dealings with the Nizam's Government, of which I had then received the accounts, you were alone concerned, or had been engaged with partners or colleagues, and in the latter case, who had been your partners or colleagues in those transactions.

3. It is to be collected from your reply, that Bunketty Doss was a partner in those dealings; but on reference to it you will observe, that it does not convey a full answer to my questions.

4. If the omission has proceeded from inadvertency, you will now have an opportunity of rectifying it.

5. If you decline answering the questions, I beg that you will apprize me of that determination, for the information of the Honourable the Governor-General in Council.

I have, &c.

Hyderabad Residency, Camp, Jaum, 3d May 1823. (Signed) C. T. METCALFE, Resident.

Letter from Mr. Wm. Palmer.

To Sir Charles T. Metcalfe, Bart., Resident, &c. &c. &c., Camp.

Sir:

I have the honour to acknowledge the receipt of your letter of the 3d May. My letter of the 28th ultimo was written with the impression, that the question regarding my partners was only reverted to, from the circumstance of my individual signature being affixed to the accounts. I had hoped, that the option granted by your letter of 14th February was still available to me, and I solicit to be allowed permission to decline answering the question.

I have, &c.

Hyderabad, 10th May 1823. (Signed) W. PALMER.

(Enclosure No. 14.)

Letter from Resident at Hyderabad.

To G. Swinton, Esq., Secretary to Government.

Sir:

I have the honour to submit a copy of the reply from Mr. Hastings Palmer to the queries conveyed to him by order of the Honourable the Governor-General in Council.

I have, &c.

Hyderabad Residency, Camp, Chicholee, 18th May 1823. (Signed) C. T. METCALFE, Resident.

Letter from Mr. H. Palmer.

To Sir Charles T. Metcalfe, Bart., Resident.

Sir:

I have the honour to acknowledge the receipt of your letter of the 22 ultimo, transmitting a set of queries from the Honourable the Governor-General in Council.

I beg to submit respectfully, that the nature of these queries precludes the possibility of replying to them, with a due regard to my own credit and integrity,

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integrity, or without a violation of the confidence which may have been reposed in me by any other person: I therefore confidently hope, that these reasons will have sufficient weight with the Honourable the Governor-General in Council, to dispense with my compliance with their commands, conveyed through you, in your letter of the above-mentioned date.

I have, &c.

Hyderabad, 13th May 1823.

(Signed) H. PALMER.

(Enclosure No. 15.)

Letter from Secretary to Government.

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Sir:

I am directed to acknowledge the receipt of your despatches of the dates noted in the margin,* and to communicate to you the orders and observations of the Governor-General in Council on the several subjects embraced in them.

2. The first of those despatches relates to the points contained in the tenth, eleventh, twelfth, thirteenth and fourteenth paragraphs of my second despatch of the 15th January last.

3. With respect to the allowances referred to in the eleventh and twelfth paragraphs of the instructions above-mentioned, the Governor-General in Council observes, that a decision may conveniently be suspended, until the general settlement of the accounts between the Nizam's Government and the house of William Palmer and Co. On that occasion, the Governor-General in Council proposes to take a review of all the allowances granted to the members of the house itself, and to other individuals, apparently at their instance and through their influence with the Minister, which have been charged to his Highness the Nizam as bearing interest at twenty-five per cent. The arrears of such allowances have already been adverted to, as one of the doubtful and objectionable charges to be passed in the accounts of Messrs. William Palmer and Co. with the Minister, and will be particularly noticed when those accounts come before the Governor-General in Council. It is highly satisfactory, however, to the Governor-General in Council, to know that the Minister, as reported in the second paragraph of your despatch above adverted to, has professed a ready disposition to conform to the advice and recommendation of the British Government, even if it should direct their discontinuance.

4. The Governor-General in Council entertains no doubt of the justice of the conclusion stated in the third and fourth paragraphs of your despatch of the 10th ultimo; but it appears impracticable, at present, to pursue the inquiry further, with any prospect of eliciting the truth.

5. The contents of your two despatches of the 15th and that of the 18th ultimo, enclosing the replies of the majority of the members of the house of William Palmer and Co. to your letters, with the queries proposed to them individually, may be conveniently noticed together.

6. The refusal of the two Messrs. Palmer to reply to the queries above alluded to, is held by the Governor-General in Council to be perfectly conclusive, as to the secret connexion of the members of the late Residency with their house. It is not reconcileable with any other supposition, that they should leave those individuals subject to an imputation from which they have the means of clearing them, without any conceivable violation of confidence or honour.

7. Concerning Mr. Lamb's professed ignorance of whatever regarded the affairs of the house previously to his connexion with it, the Governor-General in Council deems it unnecessary to make any other remark, than that it is of a piece with the character of all the proceedings of the firm which have come under his notice. The conduct of the house, in regard to their systematic duplicity and concealment of the truth will again be considered when their transactions with the Nizam's Government shall be brought to a final close by the settlement of their accounts, and when it will become necessary to determine

* 10th, 15th, and 18th May.

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mine the course to be pursued towards them generally, and the European partners in particular. With respect to Mr. Lamb's assertion, that Mr. Sotheby received no gratuity since he joined the house, you will be pleased to ascertain and report the date on which Mr. Lamb became a partner.

Letter from Secretary to Government.

8. The Governor-General in Council observes, that Sir William Rumbold has returned no answer to your letter with the set of queries, nor to the particuar call which you were required, by the instructions of the 18th April last, to make upon him, with respect to the explanation relating to the affidavit said by him to have been addressed to the late Governor-General. You are now directed to repeat the call for an immediate reply to your several letters on the subjects above-mentioned, reporting to me any further evasion or delay on his part, when the Governor-General in Council will be prepared to take such measures as this open contempt of the orders of the Government will necessarily require.

I have, &c.

Fort-William, 6th June 1823.

(Signed) G. SWINTON, Secretary to Government.

(Enclosure No. 16.)

To G. Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

I have the honour to submit a statement of monthly gratuities or pensions paid by the Nizam's Government to British subjects, or others of European extraction, which completes the returns required by the several orders of Government.

I have, &c.

Hyderabad Residency, Camp, Chicholee, 18th May 1823.

(Signed) C. T. METCALFE, Resident.

STATEMENT *of Monthly Gratuities or Pensions paid by the Nizam's Government to British Subjects and others descended from Europeans.*

To the Palmer Family.

		Rupees
1.	Mr. William Palmer,	2,000
2.	Mr. Hastings Palmer,	1,000
3.	Master John Palmer,	1,200
4.	Master Robert Palmer,	1,200

2 is the brother, and 3 and 4 are natural children of Mr. William Palmer.

Mr. Fenwick,	300
Mr. Ogilvie,	400

Mr. Fenwick was until lately connected with Messrs. William Palmer and Co., and is, I imagine, indebted to their influence for this allowance. Mr. Ogilvie is a carver and gilder at Hyderabad. On what account he receives this allowance I do not know, but probably through the same influence.

All the allowances above-mentioned have hitherto been paid by Messrs. William Palmer and Co., and twenty-five per cent. interest on them has been charged to the Nizam's Government.

To the Gordon Family.

	Rupees	A.
Mr. E. Gordon,	388	8
Mrs. Gee and Mrs. Pasley,	388	8
Mlle. Boutet and others	388	8

Mr. E. Gordon and his brother were in the service of the Nizam: the latter lost his life, and the former received his discharge. On this occasion, seemingly,

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Letter from Resident at Hyderabad.

ingly at the recommendation of the Resident, life pensions were settled on the family, as follows: 100 pagodas per mensem to Mr. E. Gordon, 100 to the mother of the two Gordons, and 100 to the widow of the deceased Mr. Gordon. On the demise of the mother, her pension was continued to her daughter, Mrs. Gee, and granddaughter, Mrs. Paisley, a moiety to each. On the demise of the widow, a moiety of her pension was continued to her sister, Mademoiselle Boutet of Pondicherry, and a moiety to four other connexions of the Gordons, names unknown. A reference was made on this subject to the Governor-General in Council; at which time the Nizam's Minister professed ignorance of the renewal of these pensions, and would not determine on their continuance or discontinuance. After the receipt of the reply, he eagerly confirmed their continuance, evidently under the operation of some secret influence. These pensions were until lately paid through Messrs. William Palmer and Co.: the payment is now transferred to the Residency treasury.

Mrs. Wheeler,	Rupees 300
Miss Danzas,	50

Mrs. Wheeler is the widow of an officer formerly in the Nizam's service, and receives her late husband's full pay until her son shall be fit for the service. This is a most liberal arrangement; but this appears to me to be the least objectionable of the allowances as yet described in this statement.

Miss Danzas is the daughter of a person deceased, formerly in the Nizam's service.

These pensions until lately were paid through Messrs. William Palmer and Co.

Late Captain Lloyd's children,	Rupees 200
Widow of Captain Morris,	200
Widow of Captain Vincent,	200
Family of late Portugueze Adjutant	30
Late Captain Draper's children,	125

These allowances are paid in the Abstracts of the Irregular Brigade, and I know no more concerning them than is stated above.

The allowances reported in this Statement, with the exception of those to the Palmer family, have been granted, I believe generally, with the concurrence, or by the recommendation of the Resident.

The Nizam's Minister declares, that these are all the pensions or allowances of this class that the Nizam's Government is charged with; but as several of these have been discovered since he made that declaration, others may hereafter come to light, in which case a supplementary report shall be submitted.

(Signed) C. T. METCALFE,
Resident.

(Enclosure No. 17.)

Letter from Secretary to Government.

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Sir:

1. I am directed to acknowledge the receipt of your despatch of the 18th ultimo, submitting a statement of monthly gratuities and pensions paid by the Nizam's Government to British subjects.

2. With regard to these gratuities and pensions, I am directed to observe, as a general remark, that the appropriation to that purpose of the revenues of the Nizam's Government, to the amount of upwards of a lack of rupees per annum, the greater portion of which, it is presumed, was accumulating at an interest of twenty-five per cent., exhibits in the strongest light the baneful influence exercised over the Minister by the house of William Palmer and Co., for whose benefit more than one-half of the whole amount appears to have been assigned. It affords no less a palpable proof of Chundoo Loll's lavish and criminal,

nal expenditure of the revenues of the State, at a time when the finances were burdened with a most ruinous debt, and when he had received the promise of our support, as the condition of his faithful and strenuous exertions to reduce all unnecessary establishments and expenses.

3. Under this view of the case, the Governor-General in Council is decidedly of opinion, that such an appropriation of the Nizam's resources, more especially under existing circumstances, ought not to be sanctioned by the British Government.

4. If, as the Governor-General in Council concludes to be the case, the whole of the gratuities and pensions in question have been granted by Chundoo Loll without the sanction or knowledge of his Highness the Nizam, these acts on his part cannot be held to be binding on his Highness's Government; more especially when such an expenditure cannot be justified, as a measure calculated to promote the public service of the State, and if known to the British Government would never have received its sanction.

5. With respect to the allowances to the Palmer family, the sentiments of the Governor-General in Council are so fully explained in the fifth paragraph of the instructions of the 19th November, and the tenth and eleventh paragraphs of the instructions of the 15th January last, as to supersede the necessity for any detailed observations on this occasion. It may be sufficient to remark, that all that has subsequently transpired has only tended to confirm the justice of the opinion therein expressed.

6. You have been apprized by my letter of the 6th instant,* that the decision of Government, relative to the allowances adverted to in the preceding paragraph, is suspended until the general settlement of the accounts between the Minister and the house. But with regard to the grants themselves, as forming a part of the general question of pensions assigned by the Nizam's Government to British subjects and persons of European extraction, it has appeared expedient to come at once to a decision. Under the resolution already communicated to you in the circular instructions of the 6th instant, the allowances from the Nizam's Government to British subjects are henceforth to be paid from a British treasury, and it is impossible for the Governor-General in Council to sanction the disbursement of the allowances here alluded to, which he so entirely disapproves, and which have obviously been granted and obtained for purposes foreign to their ostensible object. I am accordingly directed to desire that you will communicate to the Minister the sentiments of the Governor-General in Council respecting such misappropriation of the revenues of the State, apprizing him that no such payment can be made from your treasury, and stating the expectation of the British Government, that agreeably to his professed readiness to conform to its recommendation, even to the discontinuance of such allowances, he will forthwith declare the grants to the Palmer family to be revoked.

7. Considerable irregularity and abuse seem to have been practised with regard to the pensions granted to the ladies of Mr. Gordon's family, now deceased. It appears that those pensions were, on the demise of the original grantees (the mother and wife of the late Mr. Gordon), continued to parties, some of whom, though connected with the family, seem to have no claim to such a provision, and to persons unknown. The original pensions having received the sanction of the British Government, as conveyed in a letter to Mr. Russell under date the 15th of May 1813, ought not to have been continued without its knowledge. The Minister's confirmation of those allowances, at a time when the question was left to his own decision, can only be ascribed to the secret influence alluded to by you, and must be considered to be highly objectionable. The Governor-General in Council confidently expects, therefore, that Chundoo Loll will now take a just view of the question, and forthwith cancel such objectionable grants. If it should appear, however, on enquiry, that the ladies named in your report are in indigent circumstances, and depending for their subsistence on those pensions, the Governor-General in Council will not be disposed to press Chundoo Loll to revoke them, however irregularly they may have been obtained. The pensions to the nameless parties should be

* Vide page 546.

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immediately stopped. The pension to the surviving Mr. Gordon himself is not affected by these remarks.

Letter from Resident at Hyderabad.

8. The remaining pensions appear to have been granted as provisions for the widows and children of officers formerly in the Nizam's service; and, as such, there is probably nothing objectionable in them. They should, however, be investigated, in order to ascertain whether the parties to whom they were granted are *bonâ fide* in the enjoyment of them.

9. It may possibly be expedient to grant similar pensions in particular cases of meritorious conduct or other sufficient cause; but it would be desirable that such grants should be made on some regular system, to be established with the concurrence of the British Government, and you will be pleased to give your attention to this subject.

10. It would appear, from the concluding paragraph of the statement submitted with your letter now acknowledged, that there may be still some cases of pensions to British subjects which have not yet been brought to light. With respect to all such, as well as to those contained in the statement here adverted to, you will consider the same rule to be applicable, that no payment is to be made by you, or under your orders, until such shall have received the express sanction of the British Government.

I have, &c.

Fort-William,
13th June 1823.

(Signed) G. SWINTON,
Secretary to Government.

(Enclosure No. 18.)

To G. Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

1. I have the honour to report, that the balance due to Messrs. William Palmer and Co., by the Nizam's Government, in the accounts of their Aurungabad transactions, has been paid, amounting to 11,80,180 Rupees Hyderabad, including the 4,00,000 Hyderabad Rupees before advanced.

2. By this payment the Aurungabad account has been brought to a final close.

3. In the accounts received from Messrs. William Palmer and Co., of the adjusted balance, there are some charges which are new to me, and respecting which I have called for explanations. These, when received, shall be submitted, together with a copy of the final account.

4. I have now the honour to solicit instructions respecting the payment of the sums due to Messrs. William Palmer and Co., or claimed by them in their Hyderabad accounts.

5. They have furnished ostensibly the detailed accounts required of them; but these are for the most part unintelligible, and seem to have been prepared with a view to cloak, rather than to display, the transactions which they profess to describe.

6. Some further delay must be expected, before the numerous explanations required can be obtained; and I cannot anticipate that the true elucidation of doubtful items will ever be furnished by those gentlemen.

7. This delay would be unobjectionable, if the evil of it fell on Messrs. William Palmer and Co., because it would be the consequence of their own doings, and might be removed by their own act at any time. But unfortunately they profit by it, and his Highness the Nizam is the sufferer. Every day's delay is injurious to his Government, considering the very heavy rate of interest with which these debts are burthened: the more so now, as he is also charged with interest for the sums remitted to his aid from Calcutta. I have endeavoured to rouse his Minister to exertion, with a view to the settlement of these accounts, by adverting to this latter circumstance; but I cannot calculate on much assistance from that quarter.

8. If

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Letter from Resident at Hyderabad.

8. If these debts had been discharged when a proposition for that purpose was first submitted in April 1821, the profit to the Nizam's Government by this time would have been very great. Or if they had been put in a train of liquidation when it was determined to pay them off, the saving would have been considerable. The delay which has arisen has proceeded from an inquiry into the accounts of Messrs. William Palmer and Co., and their tardiness in producing them; but even if eventually any thing shall be gained for the Nizam's Government by the rejection of objectionable charges, which is not certain, it may be doubted whether it is not more than counterbalanced, by the intermediate accumulation of heavy interest.

9. Presuming that the bulk of the debt, at the least, will be discharged, I venture to recommend, that I may be permitted to pay it off without further delay, reserving for the final orders of the Honourable the Governor-General in Council twenty-five or thirty lacs, or such higher sum as may appear requisite to cover possible deductions on account of objectionable charges. If any demands be rejected, I trust that the rejection will be conclusive; for their continuance for future adjustment with heavy interest surcharged, would probably be more injurious to the Nizam's Government than the present payment of them in full.

I have, &c.

Hyderabad Residency,
Camp, Boolsurree,
20th May 1823.

(Signed) C. T. METCALFE,
Resident.

(Enclosure No. 19.)

To G. Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

1. I have now the honour to submit the close of the account between the Nizam's Government and Messrs. William Palmer and Co., regarding their Aurungabad concerns.

2. Messrs. William Palmer and Co., make a deduction in their own favour of half per cent. on the advance of four lacs of rupees before received, and charge an exchange of one per cent. on the remaining balance. This was not at first intelligible to me: but it now seems, that it has been customary for Messrs. William Palmer and Co. to make such deductions and charges, at the current exchange of the day, on all receipts and payments made at Hyderabad on account of the Aurungabad concern. Accordingly they have appropriated half per cent. on the advance of four lacs of rupees, that having been the rate of exchange at which a bill on Aurungabad was procurable on the 3d April, and have charged one per cent. on the balance, that having been the rate of exchange on the 9th instant, when the account was closed.

3. Whatever may have been the pretence for such charges when Messrs. William Palmer and Co. had to make payments at Aurungabad, they do not seem to be reasonable now, when those gentlemen have no payments to make there, and in fact require the money at Hyderabad. Had I been aware of these charges before the balance was paid, I should have been inclined to dispute them; but as the account had been closed, those charges having been declared correct by the Nizam's Minister, I do not propose to rip it open again, unless so directed by the orders of the Governor-General in Council.

I have, &c.

Hyderabad Residency,
Camp, Hoomnabad,
24th May 1823.

(Signed) C. T. METCALFE,
Resident.

RAJAH

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Letter from Secretary to Government.

RAJAH CHUNDOO LOLL *in Account Current with* WILLIAM PALMER and Co. *of Aurungabad.*

Dr.			*Cr.*		
1822.	Rupees.	A.	1822.	Rupees.	A.
Dec. 1. To balance of last account	10,67,015	6	April 3. By amount received from the Resident's Treasury at one-half per cent. discount, Hyderabad Rupees 4,00,000	3,98,000	0
1823.					
May 9. To balance of interest to this date.....	1,05,420	5			
To exchange, at one per cent. on balance	7,744	5	May 9. By balance due to us at this date	7,82,180	0
Rupees	11,80,180	0	Rupees	11,80,180	0

(Errors excepted.)
9th May 1823.

(Signed) W. PALMER AND CO.

(Enclosure No. 20.)

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Sir;

1. I am directed to acknowledge the receipt of your despatches of the 20th and 24th ultimo, reporting the final close of the accounts of the Aurungabad concern, by the payment to Messrs. William Palmer and Co. of the balance amounting to Rupees 11,80,180.

2. Under the circumstances of the balance above-mentioned having been allowed by the Minister to be correct, and of the actual payment of the amount from your treasury, the Governor-General in Council concurs with you in opinion, that it would be unadvisable to agitate the matter further, by calling in question the justice of the two items of charge adverted to in the second paragraph of your despatch of the 24th ultimo.

3. Regarding the payment of the Hyderabad accounts, on which you have solicited the instructions of Government, I am directed to communicate to you the following observations and orders.

4. Adverting to the great and injurious delay which has already occurred in the delivery of the detailed accounts, with the little hope, as stated by you, of our ever obtaining a satisfactory elucidation of the doubtful items, the Governor-General in Council concurs in the expediency of the measure you have suggested, of paying off the bulk of the outstanding demands, without waiting for the numerous explanations required. You are accordingly authorized to take measures for the immediate discharge of the Hyderabad accounts, exercising your own discretion as to the amount to be reserved, to cover deductions on account of objectionable charges, when the whole accounts, together with such explanations as you may have been able to obtain, shall have been submitted to Government.

5. With respect to the amount to be thus reserved, it is obvious that the smaller the sum retained, the more will his Highness's Government be relieved from the load of excessive interest with which it is now chargeable.

6. After experience of the evasions practised by Messrs. William Palmer and Co., for the purpose of protracting the period of final settlement, the Governor-General in Council is of opinion, that the firm has forfeited every claim to the indulgent consideration formerly contemplated, of postponing, for a time suited to their convenience, the payment of a portion of the amount which might ultimately be recognized as just debt, in order to guard against any contingent injury, arising from the difficulty they might find in immediately disposing of funds to such an extent thus suddenly thrown upon their hands. Unless, therefore, you should have held out to them any expectation of such an indulgence, in consequence of the opinions expressed in the eighth paragraph of my letter of the 23d November last, it is the desire of the Governor-General in Council,

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Letter from Secretary to Government.

Council, that whatever sum you may, in concert with the Minister, determine to pay them under the present instructions, be tendered at once for their acceptance, and that all interest cease from the date of such tender. In any event, unless a special promise to that effect shall have been given, the interest to be allowed on payments postponed at their request must not exceed the rate of six per cent. per annum.

7. With regard to the unadjusted portion of their demands, the Governor-General in Council expects that the house will, without further delay, submit to you the explanations you may deem necessary to require, previously to laying the accounts before Government. Should any attempt at further evasion be made, you will not delay to forward the accounts without such explanations, accompanying them with your own observations and the information you may be able to procure from the Minister. The Governor-General in Council will then proceed to pass a final decision on the whole, when such charges as may be deemed objectionable will be exclusively rejected.

8. The Governor-General in Council directs me to observe, that previously to the actual discharge by the British Government of the bulk of the Nizam's debt, as above proposed, it would have been satisfactory to have had some assurances from Rajah Chundoo Loll of the concurrence of his Highness in the plan for redeeming the peshcush.

I have, &c.

Fort-William, 13th June 1823.

(Signed) G. SWINTON, Secretary to Government.

POLITICAL LETTER *from* BENGAL,

Dated 1st July 1823.

Bengal Political Letter, 1 July 1823.

1. Having received from the Resident at Hyderabad a despatch, under date the 14th ultimo, throwing an important light on the pecuniary transactions between the house of William Palmer and Co. and the Government of his Highness the Nizam, and affording the strongest presumption of the fraudulent and fictitious character of the sixty lac loan, we deem it our duty to submit a copy of that letter* to your Honourable Court without delay, by a ship under despatch. We shall proceed immediately to take the Resident's despatch into consideration, and shall hereafter have the honour of reporting our proceedings to your Honourable Court; but we are desirous that you should be put in possession, without delay, of a document so decisively illustrative of the connexion between the minister, Chundoo Loll, and the house of William Palmer and Co., and of the character of the parties.

2. We avail ourselves of the same opportunity to submit another despatch† from the Resident, dated the 12th ultimo, and received at the same time, containing an interesting report of his late tour through some parts of the Nizam's territory, and exhibiting the benefits which have already resulted to the country from the measures pursued by Sir Charles Metcalfe, under our sanction.

3. In continuation of the subject of our late letters to your Honourable Court on Hyderabad affairs, we also submit a copy of a despatch‡ from the Resident, dated the 31st May, reporting the earnest desire of Rajah Chundoo Loll to postpone for a time the redemption by the Nizam of the annual sum of Rupees 1,20,000 payable to us, with a view to enable him to accomplish the complete relief of the state from the heavy demands outstanding against it; and a copy of our instructions§ in reply, the tenor of which, we are persuaded, will be honoured with the approbation of your Honourable Court.

We have, &c.

Fort-William, 1st July 1823.

(Signed) J. ADAM,
- - - - -
JOHN FENDALL,
J. H. HARINGTON.

(Enclosure

* Enclosure No. 1. † Enclosure No. 2. ‡ Enclosure No. 3. § Enclosure No. 4.

Enclosures in Bengal Political Letter, 1 July 1823.

Letter from Resident at Hyderabad.

(Enclosure No. 1.)

To G. Swinton, Esq, Secretary to Government.

Sir:

1. An examination of the detailed accounts delivered in by Messrs. William Palmer and Co. shews, that the pretended loan of sixty lacs to the Nizam's Government on their part in 1820, was wholly a fiction, and that there was no loan whatever of any given sum at that period.

2. It appears, that when application was made for the sanction of the British Government to a loan of sixty lacs, that sum was about the amount of the balances then existing against the Nizam's Government in the books of Messrs. William Palmer and Co. in several accounts, as follows:

Hyderabad account	Rupees	26,82,402
Aurungabad account		13,18,669
Berar Suwar account		20,57,219
	Rupees...	60,58,290

3. It may safely be inferred, that the object of that application was to obtain the sanction of the British Government for the debt already existing, and that the alleged amount of the pretended loan was regulated by the amount of the previous debt.

4. It will be observed, that neither of the three component sums of the above total could have been applied for the purposes of reform set forth as a pretext for the fictitious loan. They are all the balances of old accounts, relating to past charges.

5. It appears to me to have been the original intention of Messrs. William Palmer and Co. simply to obtain a sanction for the amount of those balances, without any change in the rate of interest; which was at that time, I believe, twenty-five per cent. in all their accounts: but that after the application was agitated, a reduced rate of interest on the supposed new loan being required by Mr. Russell, their scheme was acordingly altered.

6. After the sanction of the Governor-General in Council was obtained for the pretended loan, Messrs. William Palmer and Co., having brought the several balances above described into one twenty-five per cent. account, transferred fifty-two lacs to a new account at eighteen per cent. interest, taking credit at the same time in the new account for an additional eight lacs, which they now call compensation for reduction of interest, and thus making up the sum of sixty lacs as the stipulated amount of the pretended new loan.

7. The above transfer of fifty-two lacs having been made from the twenty-five to the new eighteen per cent. account, the residue of existing balances against the Nizam's Government remained in the twenty-five per cent. account, and all further transactions at Hyderabad with the Nizam's Government continued in the same.

8. Such was the process of the pretended sixty lac loan, as indicated by the detailed accounts. Whatever advances or charges may have been made by Messrs. William Palmer and Co., for any purposes, good or bad, before or after that fictitious transaction, it is perfectly clear that the pretended sixty lac loan was nothing more than a transfer of balances from one account to another, with the addition of a booty of eight lacs realized and shared instanter.

9. It follows, that for any advances made by Messrs. William Palmer and Co., for reduction or reforms in the Nizam's Government, search must be made in the twenty-five per cent. account, where alone they could appear if they had existed.

10. For a year after the fiction of the sixty lac loan, I can only discover one item which obviously appears to have any connexion with reduction, *i. e.* four lac twenty-five thousand five hundred and seventy-nine rupees, said to have been paid on the Minister's draft in favour of Noor-ool Omrah, included

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in the twenty-five per cent. account submitted in my despatch of the 1st August 1822. To that extent, there is a semblance of Messrs. William Palmer and Co.'s having advanced a sum applicable to the reduction of a party of troops, if it can be ascertained that such a sum was really advanced; but after all that has appeared, I shall not be surprised if it be discovered that the entry of that sum in the account was merely a transfer of a balance from Noor-ool Omrah's account to that of the Government. Admitting it, however, until otherwise proved, to have been an advance applicable to the purpose of reduction, it is too trivial to affect in any degree the general character of that fictitious and fraudulent transaction, miscalled the sixty lac loan.

11. It is not my intention to say, that there may not be several other items of those debited to the Nizam's Government in the twenty-five per cent. account, in the year of that transaction, which might be considered as of a public nature and advanced for the service of the Government. There are several which seem to be of that description, though I acknowledge that I am distrustful regarding most of them. But the whole cannot alter the character of the imposition practised; for excluding charges for interest and allowances to the members of the house and to others paid through them, all the advances of that year on account of the Government, including the sum before-mentioned, said to have been paid to Noor-ool Omrah, only exceed the amount received from the government in the same account by a sum of about one hundred and seventy-seven thousand rupees: the former being E.E. 10,17,120, and the latter 8,39,789; actual advance 1,77,331. And this, it is to be observed, is in the 25 per cent. account in which one would not be compelled to hunt for advances on account of the sixty lac loan, if the latter had been a fair transaction.

12. Messrs. William Palmer and Co., aprehensive of the detection which would attend an examination of their accounts, anticipated it some time ago by a letter in which they stated, that at the period of the sixty lac loan, they had relinquished their claim to large assignments on the revenues intended for the payment of former advances, and that they considered such relinquishment as an equivalent to an advance of ready cash. This being plainly translated would mean, that their loan to the Nizam's government consisted in not being repaid for a certain amount of former advances. But they cannot keep their ground even on this point, for the sums which they actually received from the Nizam's Government in the year of the sixty lac loan, exceeded twenty lacs, *i. e.* in sixty lac account, rupees 11,70,201, and in twenty-five per cent. account rupees 8,39, 789, the utmost, I believe, that the Government could possibly have contrived to pay them under any circumstances. Their statement, therefore, regarding the relinquishment of assignments equivalent to so much ready cash, I consider as another fiction; being satisfied that they secured all the assignments that could have been given, consistently with the existence of the Government.

13. A reference to the enclosures of my predecessor's despatch of 19th May 1820, will expose still more clearly the deceit practised by Messrs. William Palmer and Co., and Rajah Chundoo Loll in conjunction, at the time when application was made to the British Government for its sanction to a loan of sixty lacs.

14. A fictitious correspondence is got up between them. Chundoo Loll addresses the house, stating that he requires a large supply of money for divers excellent purposes, and hopes that they will assist him as they had done before. The amiable gentlemen of this benevolent firm reply, that out of their solicitude for the prosperity of the country, they are anxious to afford assistance to the Minister on all occasions; but as, doubtless, he will require a large sum for the great objects in view, they beg him to state precisely what sum will suffice, alleging various weighty reasons, connected with the arduous negotiation of this vast concern, for their asking this information before they enter on their mighty undertaking. They take the opportunity of slipping in a little fib about the rate of their interest being much lower than that of any other person. The Minister answers, that sixty lacs! is the sum required; which

Messrs.

Enclosures in Bengal Political Letter, 1 July 1823.

Letter from Resident at Hyderabad.

Messrs. William Palmer and Co. agree to raise on certain conditions, provided that the sanction of the Resident be obtained, to whom they request the Minister to submit all the correspondence. The payment of their own old debt is alluded to by them, as well as by the Minister, as if a portion of the new loan would be applied to that purpose, both parties being well aware that sixty lacs was about the amount of that old debt. Then come the conditions, securing districts for the payment of interest and principal of the pretended new loan. All this correspondence is conducted with the utmost gravity, as if there really were some new loan to be negociated. Next it is sent by the Minister with a note from himself to the Resident, who appears to me to have been deceived by both parties, full of fine plans, with sundry inventions as to how the sixty lac is to be laid out, requesting him to call on Messrs. William Palmer and Co., to assist in this necessary object, "which relates *exclusively!* to the public interests of the Government." The sanction of the British Government being obtained, the loan is negotiated, by a transfer of fifty-two lacs from one account to another, and by the payment, not from the house to the Government, but from the Government to the house, of eight lacs, which being too good a thing to let slip, is immediately shared amongst the partners.

15. Throughout the transaction, which is exclusively for the benefit of Messrs. William Palmer and Co., they have the impudence to make their wretched tool, the Minister, pretend that it is exclusively for the public interests; and they are made to appear as the party solicited, courted, and won, without any selfish object on their side. A more glaring proof of his subserviency to them than what is furnished by this fabricated correspondence, cannot be conceived, and a more shameful use of their influence can hardly be imagined.

I have, &c.

Hyderabad Residency, 14th June 1823.

(Signed) C. T. METCALFE, Resident.

Letter from Resident at Hyderabad.

(Enclosure No. 2.)

To G. Swinton, Esq., Secretary to Government.

Sir:

1. Having returned from a tour through a considerable portion of the Nizam's dominions, and for the most part through districts which I had previously visited in 1821, I proceed to report the impressions on my mind thereby produced, especially with reference to the effect of our interference in the affairs of this country.

2. The general result affords gratification and encouragement; qualified, however, by a mixture of disappointment, occasioned in part by circumstances for which no blame can attach any where, but principally by the same cause which originally created the necessity for our interposition.

3. There are manifest signs of improvement and increase of cultivation. The people are certainly less oppressed, and more at their ease. The good undoubtedly done in this respect is in itself highly important; and were it even unaccompanied by any other benefit, would be sufficient to warrant great gratulation.

4. It has been observable, that where our interposition has been most efficiently exercised, there the greatest signs of improvement are visible; and that wherever, from accidental circumstances, it has been relaxed or dormant, the tendency to a continuance or renewal of the old vices of the Government is most apparent. I may mention the state of the districts in which Captain Sutherland is stationed, as corroborating the former part of this remark. His zeal has been incessantly directed, with equal ability, judgment, and moderation, to the protection of the people and the welfare of the country, and his efforts have been eminently successful.

5. One of the circumstances which has impeded the complete success of our revenue arrangements, is the general fall in the price of grain, in some places to an excessive degree. Various causes have contributed to produce this effect: Increase of cultivation and the abolition of monopolies, as well as external peace and plenty. The necessary consequence is, that assessments which were formed during high prices have in some instances become intolerably burthensome, and

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cannot be wholly realized without ruin to the cultivators. Of the remedy proposed for this difficulty I shall speak hereafter.

6. In parts of Berar a deluge during the last rains destroyed the whole of the first crop, and cast additional loss and distress on the cultivators; and in other parts blight has done great mischief. These, however, are accidents of the seasons, to which all countries are subject, and against which cultivators must struggle with additional energy, in order to repair their damages. I mention them here, as co-operating with more serious causes to retard prosperity.

7. The worst enemy to which is the spirit of the ruling Minister. This remains unalterable. It is checked with considerable success by the zeal and integrity of the officers appointed for this purpose; but whenever it can act uncontrolled, all its perverse features are perceptible, and the cloven foot is made manifest. I see no reason to change the opinion which I have frequently expressed of his disposition, and I fear that it is utterly incorrigible: I therefore arm myself with patience, and endeavour, by gentle means, to neutralize what it seems impossible to eradicate.

8. The distress of the cultivators in some districts from the low prices of grain, has necessarily become a subject of discussion between us. The Minister has been disposed to insist on the payment of the whole amount of the assessment, without any relaxation, and affects to treat the unavoidable difficulties produced by low prices as if they were feigned by the native collectors and the cultivators, in corrupt combination, for the purpose of defrauding the Government. I have, however, persuaded him to allow temporary remissions in urgent cases.

9. The present intention is, that the balances shall be realized in the ensuing year. Its accomplishment, however, is necessarily dependent on circumstances: and I shall be attentive and ready to interpose, in the event of any attempt at ruinous exaction. The Minister would not have scrupled to plunge numerous districts into irretrievable desolation, if our check had not been ready to save them.

10. He asserted, that the low prices were owing to the increase of cultivation produced by our arrangements, and that therefore the people could nevertheless bear the burthen of the assessment easily. Flattering as it would have been to agree with him in this view, I was not able to adopt it; for though the increase of cultivation has co-operated with other circumstances to produce that effect, and will to a certain extent aid the realization of the revenue, the existing low prices cannot be ascribed to that cause alone.

11. The unrelenting exaction which the Minister proposed of the full amount of the assessment, must have destroyed the means of cultivation for the future, and could scarcely have failed to depopulate considerable portions of the country. As it is, the want of that cherishing spirit which is due from the Government to the people, has in particular cases caused the flight of the inhabitants from their homes; and instead of that influx of population which cheered the commencement of our interposition, I have heard of emigrations, both eastward and westward, to the Nagpore territories and to those of Bombay, where more considerate Governments prevail. I am happy to believe that they have not taken place to any great extent; but where they have occurred, they are attributable to that want of benevolence and of sound policy, which marks the conduct of the Minister in every act.

12. This spirit on the part of the administration is an evil, which we cannot now, with our present experience, hope to be relieved from. It may be said to be inseparable from our interference; for if it did not exist, I do not know that there would be any necessity for our interposition. We have not to propound lessons of wisdom to a willing but inexperienced disciple; nor do we seek to impose the enlightened systems of Europe on a state of society not fitted perhaps to receive them. We simply interfere, to prevent an unprincipled and remorseless Minister from destroying the country committed to his charge. We have scarcely attempted more, and this is the limit of the success of which we can boast. But limited as it is, we may still be proud of it; for it has done much good, prevented much misery, and promoted the comfort of millions.

13. It

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Letter from Resident at Hyderabad.

13. It is my duty, therefore, to state, that the same necessity which originally prescribed our interposition as an indispensable duty, notwithstanding those general principles which would otherwise forbid any interference in the internal affairs of a foreign state, still continues to exist in undiminished force, and appears to me to rest both on the personal character of the ruling Minister, and on the peculiar nature of our connexion with the Nizam's Government, which must ever preclude our regarding with indifference the ruin or oppression of his subjects.

14. This state to which mal-administration had reduced parts, and if persisted in, must ultimately have brought the remainder of the Nizam's dominions, may be illustrated, by the relation of a circumstance which occurred during my late tour. Many tracts of country once filled with flourishing villages having become depopulated by the natural operation of tyranny and extortion, have latterly been appropriated by wild beasts, and the scattered remains of the former inhabitants, though willing, under the protection now afforded, to re-enter on their lands, are deterred by the dread of the ravages of those animals. In a situation of that description, a party of gentlemen from the Residency Camp had the good fortune to kill six tygers, which had usurped the occupation of the lands of a deserted village. The consequence was, that the Patel of that village, who had sought refuge elsewhere, immediately appeared, and took out a lease for the cultivation of his village, with the expectation of collecting and re-establishing the population properly belonging to it.

15. Our interference continues to be exercised in the manner which has been repeatedly described, and is confined within the limits before assigned. More benefit would undoubtedly be done by its extension; but to act on that principle, would lead to our taking possession of the Government of the country. I do not hold it to be our aim to effect, without regard to the means, a perfect administration of the country, but rather to obtain the accomplishment of our chief object, the protection of the people from oppression, with the least possible degree of interference. I am entirely guided by this view; and if the same course can be steadily pursued, and the time shall ever come when our interposition may be withdrawn without a relapse of the Government into oppressions, it will be found that the native administration has been preserved intact in all its branches, and that our interference has never exceeded the imposition of a wholesome check, removed when no longer required, without leaving any other trace than may be discovered in its beneficial effects.

16. In defining the exact limits of our interference, I speak of that which I hold myself authorized to press on the Minister. If I found him willing to listen to general plans of improvement, I should have no hesitation in offering my opinion and advice: but I never have been able to observe in him the slightest symptom of a thought for the happiness of the people or the general good; nor any other care whatever, than how to keep his place, how to engage partisans for that purpose, and how to raise money for the expenses of the Government and his own wasteful and corrupt profusion in support of his own selfish interests.

17. The payment of the sums due to Messrs. William Palmer and Co. will effect an immense improvement in the financial affairs of the Nizam's Government. Strenuous exertions must afterwards be made to compel the Minister to adopt economy and regularity in his disbursements, and to keep them within the amount of receipts. Hitherto, no progress has been made in the various reforms which he has promised to effect in this branch of the administration; and he alleges the excuse of real or pretended want, for continuing the same irregularities which he has always practised. That excuse must cease, when the Government shall be relieved from the burthen of the large interest paid to that firm; and his conduct will immediately become a test, whereby to determine whether good government may in any degree be expected at his hands, or is utterly hopeless.

18. The greatest difficulty with him will be, to induce him to regulate his disbursements with correctness. He has ruled these dominions, with absolute sway for fourteen or fifteen years, without having been once called to render an account of his receipts and charges to any power on earth. Such a degree of

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secure irresponsibility is perhaps unprecedented, and can scarcely be supposed possible, under any other state of things than that which has prevailed here. In other States, either Ministers are the slaves of their Sovereign, and answerable to him; or they are his constitutional servants, and responsible both to him and to the nation. Even the most despotic autocrats are often made answerable to their subjects, and are checked by their nobles, or their prætorian guards, or their janissaries, or fall victims to popular fury in vengeance for mal-administration: but here is a subordinate Minister lording it over his principal, and his Sovereign, and his Sovereign's subjects, by the support of a foreign power, and disposing of the revenues of an empire, without ever submitting an account to his master, and without acknowledging responsibility to any one. I conceive it to be indispensable for the prosperity of this country, that he be compelled to furnish periodical accounts of receipts and disbursements; every possible precaution being taken to secure their accuracy and prevent fabrications. Such a measure would be necessary, even for his own comfort, if he possessed honest intentions.

19. There is no conviction more strongly impressed on my mind than this: that if the British Government had not interfered to pay off the debt due to Messrs. William Palmer and Co., this firm must inevitably have been ruined, together with its constituents; for the Nizam's Government could never have repaid the principal, and would not long have been able to pay even the interest of the accumulating demand, which would have become enormous on paper without having any realizable value. A more certain prospect of eventual destruction never menaced any commercial establishment; and I am satisfied that the house has been saved by those very measures of which it has complained.

20. I cannot persuade myself, that it is not itself now aware of this fact; but judging from its grasping and blindfold proceedings, it must long have been actuated by a false confidence. If it had been bearable to witness the continued devastation of the country without interposition, in order to bring the Nizam's Minister and the gentlemen of that firm to their senses, their eyes would have been opened before this time, and they must now have been on their knees, imploring that interference which they have hitherto pretended to deprecate.

21. Since my return to Hyderabad, the Nizam's Minister has expressed unequivocally the same sentiments. On my observing to him that Messrs. William Palmer and Co. must have been ruined if the British Government had not assisted this State to discharge its debts; his reply was, "They must have "been ruined, and the State also." Both would have been ruined without a doubt. In the same conversation he had previously expressed flowing thanks for the invaluable aid obtained by the payment of these debts, and for the advantages secured to the Government from the order and arrangement introduced into the country by our interposition. He particularized the revenue settlement, the suppression of rebellion, and the complete establishment of the authority of Government, as events which he could not have brought about without our assistance. He extolled our proceedings in an unqualified manner, and professed that he was actuated by sincerity, and not by any desire to compliment. He added, that at one time he had entertained doubts on the subject, but was now convinced of his error. This communication was entirely spontaneous, and prefaced our first conversation on my late return to the capital. I have no doubt of the truth of what he said, as to the good effected in the country; but I will not vouch for the sincerity of his professed admiration.

22. The suppression of rebellion and complete establishment of the authority of the Government have been in progress for several years. The capture of Nowah and other forts, and the subjugation of the Naicks, together with other energetic measures during the residency of my predecessor, rescued a great portion of country from a state of open insubordination and defiance. For my own part, while I have endeavoured to protect obedient subjects from oppression, I have always recommended firm and decisive measures against those, who without just cause are refractory. Two detachments have been successfully employed, during the last year, in asserting and confirming the authority of the Government.

23. One

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23. One against a party of Bheels, occupying a mountainous tract in the Nizam's country, and living by the plunder of their peaceful neighbours. The plan laid down was to induce them to settle peaceably in lands to be assigned, and to pursue agriculture with the requisite assistance from the Government; or to expel them from their haunts, if they insisted on living by plunder and murder. A few accepted the terms proposed, but the greater part fled and quitted the Nizam's dominions. This service was effected by Captain John Sutherland, assisted by Lieutenant Eric Sutherland.

24. In the other instance, the necessity for acting was occasioned by some Zemindars, who taking advantage of their position in thick jungles, had withheld the proper revenue and set the Government at defiance. At the same time, they oppressed the people below them in a shocking manner. Persons who had suffered cruelly from torture were complainants in the Residency camp, when I passed through those districts last year. At that time an engagement was concluded with the Zemindars by Mr. Wells, under authority from the Nizam's Government, favourable to them, and willingly agreed to on their part; but when the time came for the performance of their engagements, they violated them, and it became necessary to act against them, or to renounce every claim to the Government of the country. Favourable terms were still offered to them; but they did not notice them, and evacuated the country on the approach of the force detached against them. The authority of the Government has, in consequence, been established in those districts. The troops employed were commanded by Major Hare, and the political duties of the service were entrusted to Captain Clark, as the agent of the Nizam's Government.

25. The power which the Nizam's Government possesses, in a greater degree I imagine than Native States generally, of putting down rebellion and maintaining good order throughout its dominions, it owes entirely to the excellent force of cavalry, infantry, and artillery, organized during the residency of my predecessor. This army gives the Government an irresistible power over its subjects; and considering the composition of the forces and the process of its organization, it is, I conceive, peculiarly incumbent on us never to allow it to become the instrument of oppression. If we ever withdraw so decidedly from interposition in the affairs of the Nizam's Government, as to take no cognizance whatever of its treatment towards its subjects, the dissolution of this force would be, I conceive, a necessary preliminary, for otherwise we should lend British science, skill, and heroism, for purposes of uncontrolled tyranny and oppression.

26. One of the greatest nuisances in the Nizam's country is an army of Sikhs, maintained at the expense of the Government, for the support of the private interests of Rajah Chundoo Loll. In every other respect, they are worse than useless; for wherever they are stationed, they are insubordinate, lawless, and oppressive. They acknowledge no master but Rajah Chundoo Loll: they form, in short, his private army. He keeps a body near his own person, and the rest are scattered throughout the provinces. Their exact numbers I do not know. He acknowledges two or three thousand; but there are supposed to be more: and their remarkable costume attracts notice in all parts of the Nizam's territories, which in consequence look more like the dominions of a Sikh than of a Mahomedan prince. The Minister avows that they are his own life-guards, and the only portion of force that he can personally rely on.

27. The cause of this reliance is an approximation in religion. Rajah Chundoo Loll is not a Sikh, but a Sewuk, not of the Khalsa but of the Kholasas; i. e., he is not a follower of Gooroo Govind, the ultimate founder of the present Sikh religion, but he is a follower of Nanik Shah, the original founder of that sect, from which the Sikhs diverged into a separate branch. Gooroo Govind was the successor of Nanik Shah, several degrees removed, as the head of that sect, and he established the tenets, rules, and habits, by which his peculiar followers, the Sikhs, have since been distinguished. Gooroo Govind was assassinated at Nandair in the Nizam's dominions, and there is a temple on the spot, which is a place of pilgrimage and general resort for the Sikhs. A considerable number have settled themselves at that place, and are continually committing aggressions against the more peaceful inhabitants.

28. The

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28. The approximation above described leads Chundoo Loll to rely on the Sikhs, and the court which he pays to them causes the greatest licentiousness on their part. They do not carry themselves with greater insolence at Lahore than in this Mahomedan sovereignty. The Nizam's disgust has lately been called forth by their forcible seizure of a mosque at Bider, and a consequent deputation from the Mahomedan inhabitants of that place to Hyderabad, complaining of this grievance.

29. Representations have frequently reached me from all parts of the country, of the turbulence, tyranny, and rapacity of the Sikhs. I have always forwarded them to the Minister, earnestly advising him to take measures to correct their overbearing spirit. He has professed attention to any particular case brought to notice, but their general licentiousness continues unabated and unrepressed.

30. For any public purpose of the state, the charge of this force is an useless burthen. That a ruling Minister, fearful of intrigues against his power and his life, should desire to have a military party devoted to himself, is not, however, unnatural: but he is bound, at least, to prevent their committing violence and outrage on others. Some of the late acts of the Sikhs, and the general notice thereby attracted, have shewn to the Minister the necessity of at least appearing to be adopting measures to suppress their disorderly conduct. I shall be happy to find that this be really effected.

31. His Highness the Nizam continues, as before, for the most part abstracted from public affairs, but has latterly shewn more than ordinary aversion from Rajah Chundoo Loll, and unusual encouragement to his supposed adversaries. His Highness has for some time past refused an audience to the Minister, and given way to ebullitions of discontent against him. Instances of similar conduct have before occurred; but the Minister has always been able to work his way through the temporary difficulty.

32. The Nizam's brother, Ukbar Jah, the present Dewan, Mooner-ool Moolk, Chundoo Loll's own brother Govind Buksh, and Rajah Sheo Purshaud, are the principal persons supposed to be in league against the ruling Minister, who appears to me to be most afraid of the last mentioned of these. Although these persons may at present feel a common interest against Chundoo Loll, with the exception of his brother, whose sincere participation with the rest may be doubted, I do not think it probable that their views in other respects can be united. Ukbur Jah is supposed to look to the Dewannee, which Mooneer-ool Moolk no doubt would not like to lose. Sheo Purshaud and Govind Buksh are both reported as aspiring to the Peshcarec, the office held by Chundoo Loll, which in his hands has comprized the whole Government.

33. If these intrigues assume a serious aspect, I shall have occasion to report on them more fully. If they have the fate of those that have preceded, the parties will be bought off for a time by Chundoo Loll, at the expense of the State, and renew their attack on a further opportunity.

I have, &c.

Hyderabad Residency,
12th June 1823.

(Signed) C. T. METCALFE,
Resident.

(Enclosure No. 3.)

To G. Swinton, Esq., Secretary to Government.

Sir:

1. The Nizam's Minister has requested me to submit to the Honourable the Governor-General in Council his earnest desire, that the redemption of the peshcush may be effected, without including for the present the reciprocal redemption of the annual sum payable to us.

2. He says that a less sum than that required for the redemption of seven lacs per annum would be insufficient to afford entire relief to the Nizam's Government, his former calculation having been made without reference to our demand for arrears of revenue, and without including the subsequent accumulation of interest on the debt.

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3. He professes that, by an entire relief from debt, the Nizam's Government will soon be enabled to redeem the 1,20,000 rupees per annum, on the same terms on which the peshcush is now to be redeemed; and engages to effect that redemption, or if it be deemed preferable, to cede territory yielding a nett revenue of 1,20,000 rupees.

4. I have promised to convey his application, without expressing any opinion as to the result. It is certain that the whole amount of the purchase-money of the peshcush will be required to discharge the debt of the Government, including our demand for arrears of revenue. I should expect, indeed, that notwithstanding the appropriation of the whole amount to those purposes, debts to native merchants would still remain unpaid.

5. The Minister seems sanguine of obtaining the Nizam's consent to the redemption of the peshcush, but has not yet had an opportunity of speaking to him on the subject. The Nizam is rarely accessible even to his Ministers, and is supposed at present to give countenance to the party said to be combined against Rajah Chundoo Loll.

I have, &c.
(Signed) C. T. METCALFE,
Resident.

Hyderabad Residency,
Camp, Sungareddeepett,
31st May 1823.

Letter from Secretary to Government.

(Enclosure No. 4.)

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Sir:

1. I am directed to acknowledge the receipt of your two despatches of the 31st ultimo.

2. You will have inferred, from my letter of the 13th instant, authorizing you to discharge the bulk of the debts due from the Nizam's Government to the house of William Palmer and Co., that the measure now reported by you, of your having advanced ten lacs in part payment of the Hyderabad loans, has been approved by the Governor-General in Council.

3. On the subject of the Minister's earnest desire to suspend the redemption, on the part of the Nizam's Government, of the annual sum payable to us, I am directed to acquaint you, that in the event of your being satisfied, that the amount of the purchase of the peshcush of seven lacs will not be more than sufficient to discharge the debts of his Highness, including our demand for arrears of revenue, you are authorised to consent to the Minister's proposition. In this case, you will require the Minister to pledge himself to the fulfilment of his offer, with regard to redeeming the annual payment of 1,20,000 rupees, in which ever of the two modes proposed by him we may prefer. A cession of territory on the Nizam's western frontier, which would further improve the boundary of the two States, will probably be the most convenient arrangement for the British Government: you will therefore give your attention to this point; and after corresponding with the Commissioner at Poona and the Government of Bombay on the subject, report your sentiments for the consideration of the Governor-General in Council.

I have, &c.
(Signed) G. SWINTON,
Secretary to Government.

Fort-William,
20th June 1823.

Bengal Political Letter, 26 July 1823.

POLITICAL LETTER *from* BENGAL, *Dated 26th July* 1823.

1. In our address of the 1st instant, we submitted copies of two despatches from the Resident at Hyderabad, under date the 12th and 14th ultimo, in the latter of which Sir Charles Metcalfe reported that the sixty-lac loan had proved, on an examination of accounts, to be a purely fictitious transaction.

2. We have now the honour to submit a copy of our instructions,* in reply to those despatches, and at the same time to forward, as numbers in the packet, copies of such further reports† on Hyderabad affairs, as have reached us since the

* Enclosure No. 1.

† Enclosures Nos. 1 to 20.

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the date of our last address, together with copies of our instructions in reply. We are induced to take these frequent opportunities of transmitting the series of our correspondence on this troublesome question, as well from a consideration that it will be satisfactory to your Honourable Court to receive the earliest and fullest information on a subject, on which we conceive the national character has been seriously compromised by the parties concerned in the usurious dealings that have now been brought to light, as from a strong feeling that the interests and welfare of the State of Hyderabad, and the people of that suffering and oppressed country, are deeply involved in the determination which your Honourable Court may, with a perfect knowledge of all the circumstances of the case, see right to adopt with regard to the extent of our interference in the internal administration of the dominions of his Highness the Nizam.

3. Although we have not yet obtained the proof afforded by ocular inspection of the accounts, of the fact asserted by the Resident, in his despatch above alluded to of the 14th June, that the sixty-lac loan was a fictitious transaction, intended to obtain the sanction and guarantee of the British Government to the previously existing debt due to Messrs. William Palmer and Co., we can have no hesitation in expressing our conviction, founded on the matter before us, and our just confidence in the accuracy of the Resident, that such is the case. There can be no doubt, that the grossest deception in all that regards the affairs and transactions of the house of William Palmer and Co. has been invariably and systematically practised on this Government, and that the Minister, Chundoo Loll, whether in all respects a willing actor in these scenes of fraud, or more probably submitting through an artfully inspired dread of their power and influence to be a passive tool in their hands, has not only connived at, but actively assisted in the deception. That your Government itself should have been deceived with respect to this loan, supported as were the first contrivers of it, whoever they may be, by all concerned in carrying it through, can scarcely be matter of surprize, when it is recollected that so well was the scheme arranged, and so completely had the Minister succeeded in blinding the late Resident himself on the spot, that within a month after the negociation of this pretended loan, Mr. Russell reported that the money raised had been judiciously applied, and that a reduction of useless establishments had been effected, to the extent of twenty-two or twenty-three lacs per annum.* Nay, to such a pitch was the deception carried, with regard to the public purposes for which the loan was professedly raised, that in 1821, when called by the present Resident to render an account of the appropriation of the money, Chundoo Loll gave in an account of the details of expenditure, exceeding by seven lacs the whole amount of the loan.† It is known to your Honourable Court, that in 1822 Chundoo Loll admitted that the loan amounted to sixty lacs only, and that from this was to be deducted eight lacs, as a bonus to the house.‡ From the accounts then rendered by the Minister, it further appeared that about twenty-nine lacs of the old debts of the house had been consolidated in the new loan.

4. In the statement delivered by the Minister to Mr. Russell in May 1820,‖ of the purposes for which the former was desirous, with the sanction of the British Government, to raise a loan of sixty lacs, it was mentioned that one object of the loan was to pay off old debts to the Soucars and others, many of which, it was observed, stood at a high rate of interest; but no special mention was made of the debt to William Palmer and Co. In the Minister's letter to the house on that occasion, he cursorily alludes to it in the following words: "To clear off my debts to Soucars and that to you, which I was "obliged to incur on account of the expences of the war." This was followed up by a statement from Messrs. William Palmer and Co., in which they professed their willingness to advance the money for the purposes enumerated in the Minister's letter, including the payment of their own debt; to which however,

* Secret Consultations, 30th September 1820. See page 64.

† From Resident at Hyderabad, 17th March 1821. Political Consultations, 13th September 1822.

‡ From Resident at Hyderabad, 1st August 1822. Ditto ..... ditto

‖ From Resident at Hyderabad, 19th May 1820. Ditto ..... 15th July 1820.

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however, they make no special allusion, although, in a preceding part of the same correspondence, they had stated their rate of interest to be much lower than that of any other person.* Had such been the case, it is not obvious why the Minister should go through the form of borrowing money from one and the same party at one rate of interest, for the purpose of paying off a debt at a higher rate, since another and much simpler process would naturally have suggested itself, had there not been a concealed motive for the mode actually adopted. But some idea may be formed of the higher and unknown rate of interest, when the interest on the new loan, with which those old debts were to be paid off, amounted to eighteen per cent., with a bonus equal to the rate of fifteen and one-third per cent. more, or in all thirty-three and one-third per cent.† If, in addition to this usurious interest, it is considered that the house, by the fraudulent transaction of the loan, secured the sanction of the British Government to a debt, which from its amount, and the daily increasing deterioration of the revenues, would in all probability have been irrecoverable through any other means, it must be allowed, that to men unrestrained by principles that ordinarily regulate the proceedings of British Merchants, the temptation to fraud was too strong to be resisted. Once committed to go the length of recovering the payment of twenty-nine lacs by the artifice above adverted to, it would be giving Messrs. William Palmer and Co. credit for a degree of moderation and disinterestedness, totally unwarranted by the general character of their transactions with his Highness's Government, to suppose that they would be satisfied with a half of the loan, if by any more dexterous management they could hope to secure the whole. Until, however, the accounts shall have been laid before us, strong as is the presumption we have now stated to your Honourable Court, we have refrained from pronouncing a conclusive opinion adverse to the house and the Minister, and we trust that, in the present stage of the proceedings, the tenor and scope of the instructions to the Resident, dated the 22d instant, will be approved by your Honourable Court.

5. When your Honourable Court shall review the origin and progress of Messrs. William Palmer and Co's establishment at Hyderabad, with the lights which the various able and perspicuous reports from the Resident now before you afford, the character and motives of their proceedings will not fail to be abundantly manifest.

6. It will be observed, that although Messrs. William Palmer and Co. do not appear as a regularly established house of agency, or under the special designation of a commercial firm, until 1814, the fact is undeniable, that the principal partners were concerned in money dealings at Hyderabad for several years anterior to that period; and according to the Resident's statement,‡ actually carried on their transactions within the premises of the British Residency. Whether the late Resident and other members of his family were or were not concerned in the transactions of those days, including pecuniary dealings with the Government of the Nizam itself, the identification of the house with the Residency, from the above-mentioned circumstance, was unavoidable, and the ostensible partners no doubt availed themselves of the impression to the utmost. The influence thus accruing to Mr. William Palmer and his original associates, would render it an easy matter to them, with or without capital, to engage largely in pecuniary speculations, borrowing money from the native Soucars at a very inferior rate of interest to that which they themselves charged to the Government. By these means, and by the large personal allowances to the partners and all their dependants granted by the Minister, the arrears of which appear to have been accumulating with interest at the rate of twenty-five per cent, besides various other emoluments and advantages reported in the Resident's despatches, Mr. William Palmer and his associates appear to have acquired a complete command of the money-market of Hyderabad, and thence obtained large, and doubtless profitable assignments on the territories of the Nizam.

7. Whether the late Resident was or was not secretly connected with William Palmer and others at that time, it is evident, from the circumstances above

* From Resident at Hyderabad, 19th May 1820. Political Consultations, 15th July 1820.

† From Resident at Hyderabad, 1st August 1822. Political Consultations, 13 September 1822.

‡ From Resident at Hyderabad, 8th March 1823.

above alluded to of their business being transacted in a building within the Residency grounds, that they enjoyed his countenance and protection; and with the political influence thus acquired over a Minister of the character of Chundoo Loll, they could thence feel no desire to seek the sanction of the British Government as a guarantee to their pecuniary dealings. On the contrary, they must have been anxious to conceal from Government the real character and extent of their transactions, which there can be no doubt principally consisted of advances to the Minister and other officers of the Nizam's Government.

8. Some time after the establishment of this house of business, the appearance of the intimate connexion supposed to exist between it and the Residency was in some measure concealed by its removal from within the Residency premises. Prudential motives may also have dictated the expediency of sinking in obscurity the original money transactions of the parties concerned with William Palmer, during the first years of his career as agent or merchant at Hyderabad, and for this purpose it became advisable to propose the formal establishment of a house of business, with the sanction of the British Government, which was accordingly done. This, as your Honourable Court is apprized, took place in 1814, when an application for that purpose was transmitted to Government through the Resident. On that occasion, no mention was made of this house having previously carried on business at Hyderabad, although the ostensible partners were one and the same before and after; but the plan was announced by Mr. Russell as the result of a desire on the part of Messrs. William Palmer and Co., to form a mercantile establishment at that capital, and was spoken of in terms of commendation, as an experiment that he had no doubt would prove of general convenience and benefit. Messrs. William Palmer and Co., on their part, merely alluded to their having opened a correspondence with several mercantile houses in different parts of India, and ascertained by experiment the practicability of carrying on commercial concerns with advantage; and dexterously insinuated, that the establishment of their house would be a public benefit to the country and advantageous to the interests of the Honourable Company: a gratuitous assumption in the first instance, which they afterwards take care to treat as a principle admitted by both Governments.

9. The house being thus nominally established with the sanction of the British Government in 1814, for purposes professedly of a mercantile nature, as especially set forth in their memorial, Messrs. William Palmer and Co. were enabled to enlarge the sphere of their speculations. Nothing was ever afterwards heard of the success of the great timber trade, which was to be productive of such general benefit to the country, and there can be no doubt that they became more and more deeply and exclusively engaged in pecuniary transactions with the Minister of the Nizam. The character of those dealings, indeed, must have become too notorious to be longer concealed; and accordingly, in 1816, having in the mean time admitted another partner, Sir William Rumbold, into the house, they solicited from Government a special licence,* grounding their application on their acknowledged dealings with his Highness's Government. These they affected to consider as not in their conception coming within the meaning of the legislative enactment, relative to British Subjects making loans to Native Princes; but stated, that their object was to guard against injury to their affairs, from the doubts expressed by others, whether the general sanction hitherto accorded to them was sufficient to protect them in such dealings. Your Honourable Court is apprized of the considerations under which this licence was granted: a concession which subsequent occurrences have taught us deeply to regret.

10. This License once obtained, they were no longer under any restraint, but gave free scope to their usurious transactions. They were subject, it is true, to the control of the Resident, which however appears to have been seldom or never exercised; but on this head they had little to apprehend, as with the aid of the Minister, now entirely at their command, they must have felt secure, that they could at any time succeed in satisfying the Resident of the propriety of whatever pecuniary engagements they chose to enter into with Chundoo Loll. The proof of this is apparent, in the two transactions of the Aurungabad contract and the sixty lac loan, which they persuaded Mr. Russell would prove highly beneficial to the Nizam's Government as well as to the British interests, but which if properly investigated on the spot by an officer zealous in the discharge of his public duty, and the result of his enquiries reported to Government, would

 probably

* From Resident at Hyderabad, 27th June 1816.

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probably have appeared to the latter in a much more questionable point of view than it could possibly regard them, recommended as they actually were by the person best qualified to pronounce upon their merits.

11. From 1816 until 1820, the affairs of Messrs. William Palmer and Co. appear to have prospered according to their wish. They had completely monopolized the money-market, they had acquired an ascendency over the Minister that rendered him the creature of their will, lavishing the resources of the State in salaries, pensions, and gratuities on themselves and families, and providing for every one whom, from whatever cause, they chose to patronize. Of the degree in which this power was abused, the despatches of Sir Charles Metcalfe, which accompany this address, will exhibit the most glaring and disgraceful instances. Among others, it is mentioned in his letter of the 15th ultimo,* that a former Moonshee of Mr. William Palmer had an allowance from the Nizam's Government of seven hundred rupees per mensem, and his brother seven hundred and fifty-five; and that when those individuals went to Mecca, they received a sum of ninety-one thousand, as advance of salary to bear their expenses by the way.

12. In the commencement of their career, it was obviously their object to acquire as much influence as possible, by engaging the principal or subordinate members of the British Residency in their interest, whether by actually sharing the profits of the concern as partners, or by allowing them what in their affidavit they denominate "benefits, such as they were induced to give from "private friendship or a sense of private and pecuniary obligation." In 1815, they had acquired a great accession of political influence in their nominal partner, Sir William Rumbold, an acquisition which they well knew how to turn to the best account. Bringing no capital to the house, taking no share in the conduct of the details of their business for four years after he was invited to join the firm, it was enough for their purpose that Sir William was known to be under the special protection and patronage of the late Governor-General, and believed by the Natives in general to be nearly connected with his Lordship by marriage†. The impression this would produce on the mind of the Minister, and generally at a Native Court like that of Hyderabad, was well known to them; and it would appear by Sir Charles Metcalfe's despatch already referred to, that their calculations had not been disappointed.

13. From what other motive can it be imagined than to answer a purpose of the character above described, did Messrs. William Palmer and Co. invite Sir William Rumbold to become a partner in their concern? It is known he was involved in debt when he joined the house; and by his own statement, he remained at Hyderabad but a few months in 1815, and did not return to that capital for four years afterwards, during all which time he was holding the situation of a magistrate of Calcutta.

14. The house had also, about the same time, taken into partnership a member of the late Residency, Mr. Sotheby, who it is known by his own statement could not have brought them any accession of capital, as his pecuniary embarrassments were the cause assigned by himself for his entering the house; ‡ and as to any benefit to be derived from his assisting in the conduct of its concerns, it is distinctly disavowed, both by himself and the other partners of the firm. Neither of those new partners, therefore, brought either an accession of commercial strength and credit to the house, or contributed to its success, by any peculiar qualifications in conducting the details of its business. To what, then, but to the impression that would be produced, that in Sir William Rumbold and Mr. Sotheby the house possessed the means of exercising a powerful political influence, whether with the Supreme Government at Calcutta or at the Residency, can be ascribed the selection made by Messrs. William Palmer and Co., of those two gentlemen to be partners in their concern?

15. But flourishing as the concerns of Messrs. William Palmer and Co. were at this period, they were aware that, since the Aurungabad contract in 1818-19, reports had reached the Supreme Government of a supposed secret connexion and

* Enclosure No. 2.

† From Resident at Hyderabad, 30th September 1822.

‡ From Mr. Sotheby, dated 18th April 1823.

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and participation of profits on the part of the Residency with the house, and had attracted considerable notice, so as to become matter of discussion; and a difference of opinion at the Council-table. At the period last alluded to, it may be inferred that the house found itself involved in pecuniary transactions with the Government and officers of his Highness the Nizam, to an inconvenient, if not dangerous extent. Many of the debts due to them were of a character which they knew could not be approved by the British Government, should the necessity arise for their soliciting its aid to recover them. It is true, that while Mr. Russell, during whose Residency all those debts had been incurred without question on his part, should remain at Hyderabad, the firm, judging from the experience of the past, could have little to apprehend, as to any discontinuance of that general confidence and support, which had uniformly enabled them to exercise a sway over the Minister, that precluded all necessity for any direct interference on the part of the British Government to enforce the realization of their demands. Hence that bold and seemingly explicit disclaimer, in 1819, of all understanding on their part, that the British Government was in any way pledged to exact the fulfilment by the Nizam of his engagements in the Aurungabad concern, and that apparently satisfactory declaration, as reported by Mr. Russell in his letter of 3d July 1819, that "their only "security was the good faith of the Minister, and the degree of influence which "the Resident might consider himself called on to exert on their behalf, but so "as never to make their affairs a matter of discussion between the two Govern-"ments." At that time, as it has since appeared, they were exercising an influence over the Minister, if not the late Resident himself, that rendered them entirely independent of any ostensible interposition on the part of the British Government. But it was necessary for them to look to the future. Towards the close of 1819, or the commencement of 1820, they must have seen the probability of Mr. Russell's return to England, which actually took place in the course of the last-mentioned year. With their accustomed resource in expedients, where their own interests were concerned, it was not long before they devised a scheme, by which they might obtain the direct sanction of the British Government to their large and unsanctioned balances. That scheme, it has been seen, succeeded to their utmost wish. Besides securing the sanction of Government to their old debts and the advantage of the bonus, they were thus enabled to raise a large sum from individuals, under pretence of subscriptions to the new loan, and to embark with a great command of ready cash in new adventures.

16. The first step to ensure success to this bold stroke, was to disengage themselves from all connexion with the Members of the Residency, whose concern in their house, it was evident, would no longer be an object of much importance, provided they succeeded in their meditated design. At all events, the success of their plan was not to be risked by retaining any such partners, since the rumours afloat might lead to a scrutiny of their affairs, a thing by no means to be desired. Whatever other reasons have been assigned by Mr. Sotheby for quitting the house at this critical period, there can be little doubt that the motive on their part was the one above supposed. In pursuance of that object, an offer was accordingly made to Mr. Sotheby, either to relinquish the Company's service and become an avowed partner of the house, or to retire from the partnership, a douceur being tendered to make up for the loss. The latter alternative was accepted, and Messrs. William Palmer and Co. were now prepared, if necessary, to take an affidavit, that no public functionary was connected with their house. This final separation of partnership between the Residency and the house took place in February 1820. After the lapse of a few months, the Minister was brought forward, and his propositions officially submitted through the Resident, backed with his recommendation.* The remarks contained in the Resident's letter of the 14th ultimo† on the correspondence between the Minister and the house on that occasion, abundantly prove that the whole affair was got up for the purpose. It would be uncharitable to suppose, that the late Resident wilfully shut his eyes to what was passing before him; but we are compelled to state, that it is difficult to account in any other

* From Resident at Hyderabad, 19th May 1820. Political Consultations, 15th July 1820.

† Enclosure No. 1., in Letter to the Court of 1st July 1823.

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other way for his being made the channel of bringing forward such a proposition, without making those previous inquiries of the Minister, which must infallibly have led him to a discovery of the truth. Had he asked, as it was natural he should have done, what were the terms of the loan, the nature and the amount of the debts to the Soucars and to the house, and at what rate of interest, and had he been truly informed as to all those points, could he, consistently with his public duty, have ventured to recommend such a loan to his Government?

17. In August 1820, as is known to your Honourable Court, the sixty lac loan was sanctioned by a majority of the Administration of that period, on the professed grounds of its expediency, and on the recommendation of the Resident, as being the best arrangement, as to terms, that in his opinion the Minister could by possibility effect.

18. In the month of December 1820, Mr. Russell departed from Hyderabad and was succeeded by Sir Charles Metcalfe.

19. It would lead us to trespass too much on the time of your Honourable Court, if we attempted to offer a sketch of the various acts of deceit, misrepresentation, and concealment of the truth, which have since been brought to light, and to which the house have been driven, in consequence of our call for the production of their accounts, and the names of the public functionaries supposed to have been concerned with them in the pecuniary dealings with the Nizam's Government. They are, however, so fully and ably reported and commented on by the Resident, in his various despatches before your Honourable Court, that nothing that we could state could add force to his exposition of their conduct. It will be sufficient to notice their own declaration, as conclusive with regard to the general character of their dealings, namely, that the production of their detailed accounts would be a measure of most injurious consequences to them ;* that the restriction of their intercourse with the Minister (but through theResident) would be regarded as a complete crushing of their concern; and that it would be ignominious to give up the names of certain individuals who had been connected with the house. On this latter point, the Resident has very justly observed,† of what sort is that commercial establishment, in which it would be ignominious to name the partners; and what title has that firm to patronage, whose conduct, during its whole existence from its first application for support, has been a tissue of imposition, concealment, deceit, falsehood, and treachery towards the British Government? In all this, says Sir Charles Metcalfe, it sees no ignominy.

20. With the facts, too, that had come to light by the production of the accounts of the sixty-lac loan, as delivered by the Minister in 1821 and 1822, it is impossible not to be struck with the effrontery of the house, when in complaining of the call for the production of their accounts, they represent their situation as unprecedented, and proceed to describe their usurious transactions with the Minister as undertaken to their own disadvantage. During a great pressure in the money-market, they observe,‡ "We entered into engagements with the Minister with the Resident's concurrence. When the war was over, we again came forward, contrary to our interest, to aid in the object of reform, by the advance of a large loan, the magnitude of which rendered necessary the sanction of the British Government to remove hazard." It is now manifest, that the hazard, for the removal of which the sanction of the British Government was necessary, was that of losing their old and unsanctioned debts in the impending bankruptcy of the State, or under a new Resident less easily satisfied with their modes of proceeding, and not their new and nominal advances, so disinterestedly contributed in aid, as they gave out, of the great measure of reform. In a still later letter from one of the partners to the Resident, dated 11th June,§ this complaint of the severity of the measures of

* From Resident at Hyderabad, 23d February, 1823.

† From Resident at Hyderabad, 15th May 1823.

‡ From Resident at Hyderabad, 23d February 1823.

§ From Resident at Hyderabad, 21st June 1823. Enclosure No. 9.

of the Government is renewed in terms still more explicit, and with still more unblushing effrontery, in the face of all the exposures that had taken place. Sir William Rumbold, on the eve of his departure for England, could not abandon his partners to their fate, without one more attempt to move the Government in their favour. The measures which the British Government had thought proper to adopt towards them, had already exposed them, he observes, to serious dangers, and any further evidence of its displeasure would be utter ruin. He adds the expression of his hope, that the danger and distress to which they had already been exposed, would be considered a sufficient atonement for any thing which the Governor-General might have disapproved of in their proceedings, and would entitle them to his future protection, entreating that the Governor-General in Council will save them from ruin, and will direct them in what manner they may for the future carry on their transactions at Hyderabad, so as to secure the support of the Government through the British Resident. In the same letter, the requisition to name the public functionaries who may have been connected with their house, or in other words, to give up public delinquents to justice, is treated as a measure of severity, obliging agents to betray what they may know in confidence of the private affairs of individuals, and rendering it impossible that men (meaning the members of the firm) should enjoy the confidence of the public, who are known to be liable to such compulsion.

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21. We have noticed the above points at some detail, with a view to bring immediately before your Honourable Court the extraordinary nature of the privileges which Messrs. William Palmer and Co. consider to be inherent in the constitution of a commercial firm, subsisting as theirs does by the sufferance of Government, and carrying on transactions which, by the very nature of their licence, must be such as Government is entitled to know. Their idea would papear to be, that the credit of their house, (on however precarious a footing subsisting), is not to be exposed to hazard, by any inquiry into the acts of the partners, avowed or secret, even though such acts should be an offence against the statutes; and that any attempt of the Government to discover whether one or more public functionaries, to the disgrace of the service to which they belong, may have been concerned with them, in what an act of parliament declares to be usury and extortion, is a just subject of grievance on their part, as injurious to the credit of the firm, and entitling them as amends for such injury inflicted upon them to the future favour and support of the Government, in the continuance of those very transactions, the character of which it would be needless in this place to repeat.

22. With regard to whatever measures we have already sanctioned, for dissolving all connexion between the house of William Palmer and Co., or may hereafter see fit to adopt for the more effectual attainment of that indispensable object, we trust your Honourable Court will concur with us in opinion, that the firm in question cannot be regarded in the light of one of those bodies of British merchants, to which they are so desirous to assimilate themselves: men whose word has never been called in question, whose accounts, if required to vindicate their fair fame, are ready to be produced at a moment's warning, and who would scorn to be connected in partnership with any individual whom they felt it to be an ignominy to name. We conceive that, adverting to all that has already been discovered of their dealings at Hyderabad, they can be viewed only as an association of unprincipled adventurers, linked with a corrupt and profligate Minister, and preying on the necessities of the Government, which that Minister's criminal profusion and lavish expenditure of the revenues, in support of his own despotic power, have reduced to the brink of ruin. To save the country of our ally from that impending danger; to recruit the impoverished resources of the State; to rescue the people from the grasp of the extortioner and oppressor, and to restore to them the blessings of security and good government, must ever be the primary objects of our attention; objects, we are satisfied, utterly incompatible with the continued existence of a house of agency, exercising the unbounded political influence hitherto possessed by Messrs. William Palmer and Co., and by them directed to the sole and unjustifiable purpose of filling the coffers of their own concern.

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23. Your Honourable Court will not fail to have remarked, that from the first moment when Sir Charles Metcalfe was brought in collision with the house, in his endeavours to effect the reform prescribed by his instructions, every means were employed to counteract his meritorious exertions. When Messrs. William Palmer and Co. found that he was neither to be blinded nor seduced, they resolved on the desperate attempt of engaging the Minister in a plot to bring charges against him, in the confident expectation, it is presumed, of effecting his removal from office, and thus remaining masters of the field. Such a victory was worth the hazard of the trial; but fortunately the blow aimed at this highly distinguished public officer recoiled on the head of those who directed it, and the Resident persevering in his inquiries into the real nature of the dealings between the Minister and the house, a scene of iniquity was displayed, which has covered with disgrace all who were concerned in it.

24. We need not assure your Honourable Court, that it will be our business to follow up these inquiries until nothing has been left unexamined. We trust, indeed, that little more remains to be done, than to wind up the concern, by a final close of all connexion between the Government of his Highness and this unprincipled association of money-lenders, who under the name and protection of the British Government, have so long plundered the country of our unfortunate ally.

25. In soliciting the attention of your Honourable Court to our instructions to the Resident, under date the 22d instant, we beg leave to observe, that we have principally been induced to issue them at this moment, from a consideration that much time might still elapse, before Sir Charles Metcalfe should be able to submit the accounts, with all the explanations he would endeavour to obtain on the subject of them; and that, even in the present stage of the enquiry, it was expedient to intimate to Rajah Chundoo Loll, the unfavourable impression produced on our mind with regard to the general character of his administration, such as had already been sufficiently established by what had come under our review. We are persuaded, that a representation in the terms of that which Sir Charles Metcalfe is now directed to convey to Chundoo Loll, will produce a powerful and salutary effect upon the Minister; and we trust that our views, as regard the policy to be maintained in future with respect to Chundoo Loll, as well as on the subject of our continued interposition in the affairs of the Government, until the evils resulting from past mal-administration be removed, will be found to be in accordance with the sentiments of your Honourable Court. We in a particular manner beg to attract the attention of your Honourable Court to the details of the Resident's interesting report of his late tour, contained in his despatch of the 12th ultimo, with advertence to the benefit of the present system of supervision by British officers; a measure which, we feel assured, will be acknowledged by Chundoo Loll himself, when released from the thraldom of those to whom that supervision was a death-blow, to be productive of the most solid advantages to the State, and materially conducive to the happiness and well being of the country.

26. We will now briefly advert to the subjects of the several other despatches submitted with this address, in continuation of the series of correspondence already transmitted to your Honourable Court.

27. The despatches of the 15th and 20th June* relate to allowances hitherto paid by the house of William Palmer and Co. to themselves, and their dependents and others, all of which we have expressed our opinion should be discontinued, with exception to such as may have been granted to soldiers, or others, disabled in the service, or otherwise entitled to a pensionary provision for real public services. It is unnecessary to trespass on the time of your Honourable Court with any remarks on the highly improper nature of many of those allowances, as they will be fully apparent on a reference to the documents themselves.

28. In our reply to the former of the despatches last referred to†, your Honourable Court will observe that we have adverted to the subject of the Sikh troops employed by Rajah Chundoo Loll, as reported by the Resident in his letter

* Enclosures Nos. 2 and 4. † Enclosures Nos. 3 and 5.

letter of the 14th ultimo, and have instructed the Resident to urge upon the Minister the necessity for their immediate disbandment.

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29. In a second despatch, dated the 20th June,* the Resident reports, that he has made another advance of ten lacs to the house, in liquidation of their debts, which, on the grounds therein stated, we have approved.†

30. The two despatches of the 21st June‡ relate to the Resident's correspondence with Sir William Rumbold, on the subjects of the affidavit, and the supposed connexion of the members of the late Residency with the house. To these letters we have already adverted in a preceding part of this address.

31. With regard to the latter of the two points in Sir William Rumbold's letters, we have expressed our concurrence in the remarks of the Resident on Sir William Rumbold's statement, observing that the evasion practised by him, in talking of the house as having commenced in 1814, when he was well aware of the principal partners of the existing firm having been previously engaged in business, had not escaped our notice.§ On the subject of Sir William Rumbold's other letter, we have remarked that the reference to his private correspondence with the late Governor-General, was occasioned by his own allusion to it in his letter to the Resident of the 9th March. Whatever might be the contents of that correspondence between Lord Hastings and Sir William Rumbold, they could not, we remarked, alter in any respect the deceptive character of the affidavit, or our opinion of the conduct of the parties, to the proceeding of which it formed a prominent part.

32. In his despatch of the 26th June,‖ Sir Charles Metcalfe has stated the circumstances connected with a report propagated by Messrs. William Palmer and Co., that he had been consulted on the subject of the affidavit.¶ We have expressed our entire satisfaction with the explanation given by the Resident, and approbation of the motives which induced him to make it.

33. The four despatches of the 27th, and one of the 28th of June**, relate to points referred to in our instructions of the 6th June, and do not call for any particular observations. We trust your Honourable Court will approve of the arrangements we have sanctioned, with respect to the appointments held by Lieutenant Holroyd and Mr. Jefferys, as stated in our reply to the above letters.†† In one of those letters your Honourable Court will observe, that Mr. Lamb has resigned the situation which he held under the Nizam's Government of Medical Storekeeper, by which a salary, to the extent of 1,500 Rupees per mensem, has been saved to the Government of his Highness. The duties of that office have devolved on Mr. Jefferys, who is to perform them without any additional salary, in consideration of his being already in the receipt of a liberal allowance from his Highness, as surgeon to the Durbar. On Mr. Jeffery's retirement from office, we contemplate a reduction of the allowance hitherto assigned to his Highness's medical attendant; and, in like manner, we propose that the salary now drawn by Lieutenant Holroyd, as the officer in charge of the Police of the Residency Bazar, shall be reduced in amount, on that officer's retiring from the situation.

34. Mr. Sotheby having made an application to us, under date the 7th instant, to be furnished with copies of those parts of the Resident's despatches in which his conduct as First Assistant is mentioned with approbation, and which he considered to be essential to the formation of a Memorial to your Honourable Court, we have complied with his request. The extracts from the Resident's despatches relating to Mr. Sotheby's conduct consist of paragraph 29 of Resident's letter of 21st November 1821, and paragraphs 12 and 13 of that of the 20th June 1822.

We have, &c.

Fort-William, 26th July 1823.

(Signed) J. ADAM,
JOHN FENDALL,
J. H. HARINGTON.

(Enclosure

* Enclosure No. 6. † Enclosure No. 7. ‡ Enclosures Nos. 8 and 9.
§ Enclosure No. 10. ‖ Enclosure No. 11. ¶ Enclosure No. 12.
** Enclosures Nos. 13 to 17. †† Enclosure No. 18.

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Letter from Secretary to Government.

(Enclosure No. 1.)

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Sir:

1. You are already apprized, that on the subject of your report of the 14th ultimo, the Governor-General in Council has suspended a communication of his sentiments and orders, until the receipt of the detailed accounts, the examination of which has satisfied your judgment, that no payment in cash was made by the house of William Palmer and Co. on the occasion of the sixty-lac loan.

2. Should so disgraceful a transaction be clearly established against the parties concerned (and from the decided manner in which you have expressed your opinion on the subject, there is every reason to conclude that such will be the case), the Governor-General in Council will be prepared to adopt such measures, with regard to them, as their conduct in practising so shameful an imposition on the British Government will necessarily demand. Previously to a final decision, however, it will be equitable to afford Messrs. William Palmer and Co. an opportunity of distinctly denying and disproving so serious a charge. You will, therefore, lose no time in communicating to the house, (if you have not already done so), the conclusion to which you have come on the general examination of their accounts with his Highness's Government, and to call upon them for a distinct admission or denial of the fact. A similar communication must, at the same time, be made to Chundoo Loll.

3. Adverting to the systematic duplicity and evasion of the house, it cannot be expected that this call upon them will be productive of much information in explanation of the real facts of the case, though their failing to meet the charge openly and fairly will, of course, be a virtual admission of its truth. But as regards Rajah Chundoo Loll, the Governor-General in Council conceives that much advantage will attend the call upon him, which must be made in the most serious manner, and in the name of the British Government. Sufficient has already appeared against him, to warrant the most unfavourable suspicions of his collusion with the house, and his entire subserviency to their interested views. Although some excuse may be found for him, in the arts which the house have so successfully practised upon him with regard to their pretended power and influence with the Supreme British Authority, it is now time that his eyes should be opened to the delusion, and that he should be made to feel, that the absolute power which he has so long exercised in the state, and to preserve which he has so shamefully sacrificed the best interests of his Sovereign, cannot be maintained by such means; but, on the contrary, that his further connexion with Messrs. William Palmer and Co., and concealment of the real character of his pecuniary dealings with them, especially as relates to the sixty-lac loan, will inevitably lead to the very consequences which he has been taught to believe could alone be averted by his blind devotion to their will.

4. You will, therefore, point out to him, in the name of the Governor-General in Council, the view which has been taken by this Government of the whole course of his transactions with the house, as far as they have come under its examination, the disappointment which has consequently been felt in the failure of all his promised measures of reform, and the displeasure with which the Governor-General in Council has witnessed his lavish expenditure of the resources of the country, which compelled the British Government to come forward to its aid. Such conduct on his part, independently of the strong presumption now existing against him, of having conspired with the house of William Palmer and Co. to practise the deception on this Government reported in your despatch, has, in the opinion of the Governor-General in Council, utterly deprived him of all claim to the support of the British Government. That support was pledged to him, on the special condition of his carrying into effect the very measures which he has not only failed to accomplish, but which, there is too much reason to believe, he has secretly laboured to counteract.

5. The Governor-General in Council is not prepared to say, whether the establishment of Chundoo Loll's being a party to the deception presumed to have been practised on the British Government in the affair of the sixty-lac loan, will impose on it the necessity of recommending to his Highness the Nizam the removal of a Minister, who will thus have proved himself so unworthy of the high

high trust committed to his hands; but you will impress on Chundoo Loll's mind the critical situation in which he has placed himself, by thus forfeiting every claim to the countenance of the Government, to which he looked for support in the faithful and zealous administration of public affairs.

6. With regard to Messrs. William Palmer and Co., the Governor-General in Council is of opinion, that the most conclusive proof of their guilt in the affair of the loan, will not render it the less desirable to enable the Minister to discharge those debts which are justly due, and to bring the whole of their pecuniary transactions to a strict adjustment and final close. Adverting to the instructions already issued to you, the Governor-General in Council is not aware that any further orders on this subject are immediately required. It may be observed, however, that supposing the suspicion created in your mind by the examination of the accounts to be confirmed, no question can now remain with regard to disallowing the bonus on the fictitious loan; and the same remark will apply to the allowances to the several partners and their dependants, with the amount of the accumulating arrears at twenty-five per cent.

7. I now proceed to acknowledge the receipt of your despatch of the 12th ultimo, reporting your tour through certain portions of the Nizam's territory.

8. It is highly satisfactory to learn, that signs of improvement are manifest in those parts of the country visited by you, and that this is chiefly to be ascribed to the meritorious exertions of the English officers, who have been employed under your direction in superintending the management of the country by the native officers of his Highness the Nizam. Without such timely interposition, the Governor-General in Council is satisfied, that under the ruinous system pursued by Chundoo Loll of granting assignments on the lands, and from the oppressive manner in which the revenues were generally collected, the country would have been entirely desolated, and the State speedily reduced to a condition amounting to absolute bankruptcy.

9. The Governor-General in Council would fain persuade himself, that this lamentable truth had at length forced itself upon the mind of Rajah Chundoo Loll himself, when he acknowledged to you the benefits that had been derived from our interposition. It is to be hoped, that the experience of the dangers he has passed, will render him more cautious in again lending himself to any unprincipled band of adventurers, actuated by no motives but the thirst of gain; and teach him that his own interests, no less than those of his Sovereign, are best promoted by a cordial co-operation with the Representative of the British Government, in carrying into effect the judicious and salutary measures which the present state of the Government so urgently demands.

10. The Governor-General in Council entirely concurs with you in opinion, as to the necessity of our continued interference in superintending the management of the country. It is, at the same time, highly satisfactory to know, that wherever that interposition may be rendered unnecessary, by the permanent establishment of a system of good order, we can withdraw our agency, without the least disturbance to the native machinery of his Highness's Government. As long, however, as the character of the ruling Sovereign and the executive Minister of the Government requires us to exercise the degree of interference essentially necessary for the preservation of the State and the protection of the people, the employment of British officers with the troops of his Highness, is undoubtedly of the highest benefit to the interests both of the prince and his subjects, in effectually repressing rebellion against the one, and affording protection to the other, from the disorderly bands with which the country would otherwise be speedily overrun. But, in the event of our being enabled ultimately to withdraw from all internal interference, the Governor-General in Council fully agrees with you, regarding the necessity that will at the same time exist for providing against the possible conversion by the native Government, of British energy, courage, and science, into instruments of tyranny and oppression. On this subject, however, it is unnecessary to enlarge at present.

11. There are still two points remaining to be noticed in your despatch of the 12th. The first relates to the measures carried on, under your direction, against some rebellious subjects of the Nizam. The principle laid down by you,

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Letter from Secretary to Government.

of enforcing obedience to the just authority of the State, is entirely approved; but on any future occasion, where the troops of his Highness may be actually employed under British officers, on expeditions similar to those specified in the twenty-third and twenty-fourth paragraphs of your letter, it will be satisfactory to the Governor-General in Council to receive a full report of your proceedings at the time, and of the grounds on which you deemed it necessary to have recourse to coercive measures, and you are requested to observe this as a general rule.

12. The other point relates to the intrigues said to be actively carrying on at present for the subversion of the Minister's power.

13. On this subject I am directed to observe to you, that it cannot be matter of surprise, that the enemies of Chundoo Loll should have availed themselves of such an opportunity to effect his removal, when it must be a matter of general notoriety, that his conduct has been such as could not be approved by the British Government, by whose influence alone he is believed to be upheld.

14. Although it would appear from your report, that the intrigue as yet has not assumed a serious aspect, the communication which you have been directed to make to Chundoo Loll of the sentiments of Government with regard to our pledge of protection will be extremely opportune, as it will show him, that however well disposed this Government was to afford him its countenance, while zealously employed in correcting the existing abuses of his Highness's Government, he must not expect that we will shield him from his Sovereign's displeasure on account of misconduct, the consequence of which, but for our seasonable aid, would have been fatal to the State; and that his only possible chance of averting the just indignation of the Nizam, and of regaining the confidence and esteem of the British Government, will consist in his manifesting an earnest desire to repair the evils of his past misrule.

I have, &c.

Fort-William,
22d July 1823.

(Signed) G. Swinton,
Secretary to Government.

(Enclosure No. 2.)

Letter from Resident at Hyderabad.

To G. Swinton, Esq., Secretary to Government, Fort-William.

Sir:

1. Having called on Messrs. William Palmer and Co. to desist from paying any allowances on account of the Nizam's Government, they have furnished me with a list of such as have hitherto been paid through them.

2. The first part of this list consists principally of the family stipends of the Palmers.

		Rupees.
Mr. William Palmer	(monthly allowance)	2,000
Master John Palmer	ditto	1,200
Master William Palmer	ditto	1,200
Mr. Hastings Palmer	ditto	1,000
Mr. R. H. Fenwick	ditto	300
Pay for forty sepoys allowed to Mr. Palmer on the disbandment of his cavalry		320

It appears from their detailed accounts, that in addition to those above-mentioned, Mr. Robert Palmer, another member of that family, settled as a merchant on the coast of Coromandel, also received an allowance from the Nizam's Government. He is now dead.

3. The second part of the list contains dependants of the same family:—

		Rupees.
Mahomed Salah-ood Deen	(monthly)	405
Soofee Ali Khan	ditto	200
Ruhmut Ali Khan	ditto	175
Syud Kurreem Oolla	ditto	55
Syud Abdool Kadir	ditto	45
Fazil Khan	ditto	65
Secunder Khan	ditto	60
Gool Mirza	ditto	40

Of

Of these Mohummud Salah-oo-Deen is the Moonshee of Mr. William Palmer; Soofee Alee Khan, is the Moonshee of Mr. Hastings Palmer; Ruhmut Alee Khan, servant of Mr. William Palmer; Sikundur Khan, son of the above. The remaining four are said to be about Mr. William Palmer; but in what capacity I am not informed. Mr. William Palmer's explanation of this set is contained in the third paragraph of his letter transmitting the list. A copy of the letter is enclosed.

4. The third part seems to consist partly of dependants, and partly of persons patronized by the house.

		Rupees.
Meer Saleh-oo Deen and Suwars	(monthly)	665
Ghoolam Mahomed	ditto	200
Ghoolam Mohee-ood Deen	ditto	150
Mahomed Umeen-ood Deen	ditto	60
Shekh Mohee-ood Deen	ditto	50
Mahomed Shufee Khan	ditto	440
Syud Mahomed	ditto	50
Meer Jumal-ood Deen	ditto	300
Meer Azim Ali	ditto	100
Meer Ghoolam Mohee-ood Deen	ditto	60
Mahomed Yosoof	ditto	40
Khoja Mahomed Badsha	ditto	100
Khoja Abbass Ali	ditto	75
Meer Ali Nukkee Khan	ditto	45
Mahomed Kott-ood Deen	ditto	125
Jeewajee	ditto	35
Mr. I. Ogilvie	ditto	400
Syud Khyr-ood Deen	ditto	300
Syud Mahomed	ditto	100
Balkishun Dos	ditto	50
Moozuffer Hoosscin	ditto	60
Mooez-ood Deen	ditto	50
Mahomed Surwar	ditto	112. 12.
Mahomed Kassim	ditto	55
Mirza Jaafur Ali	ditto	60
Mirza Hydur Ali	ditto	60
Peer Mahomed	ditto	60

Meer Saleh-oo Deen belonged formerly to the rissalah of Mr. William Palmer, when the latter was in the Nizam's service. He was retained with a party of the horsemen of the corps, and stationed with Messrs. William Palmer and Co. for the purpose of aiding them in realizing their assignments on the revenues. Mahomed Shuffee Khan is a Talookdar of a district, patronized by Messrs. William Palmer and Co., through whose influence he is said to have obtained his present situation. This allowance has no reference, I believe, to his office. Meer Jumal-ood Deen, said to have been recommended for this allowance by Mr. William Palmer. Meer Ghoolam Mohee-ood Deen, one of the horsemen above referred to. Syud Khyr-ood Deen, and Syud Mahomed belong to a native college established near to the office of Messrs. William Palmer and Co. Peer Mahomed, Mr. William Palmer's butler. Mr. William Palmer states, that he has no knowledge of the circumstances under which this allowance was granted, and was ignorant of the fact till lately!! The allowance, it seems, is now to be discontinued, together with those of Jewajee, Mahomed Yoosoof, Balkishun Dos, Moozuffur Hoossein, and Moiz-ood Deen. I do not accurately know what these persons may be, but they seem to be servants. Mr. Ogilvie has been described before. Mirza Jaafur Ali, Mirza Hydur Ali, and Mahomed Kasim, were pensioned at the recommendation of Mr. S. Russell, a partner in the concern of William Palmer and Co.

5. Of this list generally, little elucidation could be obtained from Messrs. William Palmer and Co., who in most instances referred us to the Nizam's Minister; and the only information procurable from him was, that six or seven were recommended by Mr. William Palmer, five or six by Sooltan Hosseyn Khan, the former Moonshee of that gentleman, and four or five by Sahah-ood Deen, his present

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present Moonshee. The imperfect information herein submitted has been obtained from other sources.

6. The mention of the former Moonshee of Mr. William Palmer leads me to notice, that he also had an allowance from the Nizam's Government of seven hundred rupees per mensem; and his brother, Mohummud Nuwaz Khan, seven hundred and fifty-five rupees per mensem. Moreover, when these gentlemen went to Mecca, they received from the Nizam's Government ninety-one thousand rupees to bear their expenses, being the amount of their joint allowances for above five years. Such has been the waste of the public money on Messrs. William Palmer and Co. and their dependants. Such are the items of charge, with twenty-five per cent. interest accruing thereon, which the fictitious sixty-lac loan was invented to confirm.

7. In the list of allowances transmitted by Messrs. William Palmer and Co., the names of their native partner, Bunketty Dos, and his nephew, Kishun Dos, are not included; but it appears from the detailed accounts that they also receive allowances from the Nizam's Government, and have hitherto been supplied with guards, paid through Messrs. William Palmer and Co. Perhaps Messrs. William Palmer and Co. did not choose to put forward these facts, lest they should tend to confirm the impression produced by other items, that all the members of the firm had received allowances from the Nizam's Government, and thus lead to the detection of some which are still kept in the back ground. The allowance to Bunketty Dos Messrs. William Palmer and Co. call "an "honorary distinction, conferred on him in common with other Soucars, with-"out any application from any of the members of the house." The amount of this honorary distinction is not mentioned: it seems to be five hundred rupees per mensem. The allowance to the nephew, Kishun Dos, forty rupees per mensem, is called palanquin allowance.

8. As application may hereafter be made to me respecting these allowances or some of them, it would be satisfactory to me to have instructions for my guidance. My opinion of them is, that one and all they are allowances to Messrs. William Palmer and Co. and their dependants, and that they ought to cease; but it is not improbable that the Nizam's Minister may have motives for wishing to continue them.

I have, &c.

Hyderabad Residency, 15th June 1823.

(Signed) C. T. METCALFE, Resident.

Letter from Messrs. W. Palmer and Co.

To Sir C. T. Metcalfe, Bart., Resident, &c. &c. &c., Hyderabad.

Sir:

We have the honour to acknowledge the receipt of your letter of 16th April, directing us to cease from making any disbursements for salaries, &c., on account of the Nizam's Government; to which we shall pay implicit obedience.

We herewith enclose a statement of the disbursements required. We have not included amongst these such as have ceased from the death of the parties, or from other circumstances.

Mr. William Palmer begs to state, in explanation of the List No. 1, that it contains the names of those persons who formerly served in a rissalah of horse commanded by him. Several of these persons have been employed in the concerns of the house, and were selected by Mr. Palmer from his knowledge of their conduct and character; but in no one instance have they been so employed, without receiving an allowance from the house adequate to their services, without any reference to their salaries from the Nizam's Government. Mr. Palmer further begs to state, that the numbers originally retained in the service on the disbandment of the rissalah was thirty-two; and his wajib-ul-arz for the continuance of these men in the service of the Government, under his command, was acceded to by the Minister, with the sanction and knowledge of Captain Sydenham, then Resident at this court.

Mr. Palmer begs to notice, that Peer Mahomed, mentioned in the list as receiving a salary of sixty rupees per month, is his servant. Mr. Palmer has

no

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no knowledge of the circumstances under which Peer Mahomed's horse was entertained in the service, and was ignorant of the fact till lately. He begs to observe, that the custom of entertaining horses belonging to parties who do not render personal service is quite common; but lest it should, in this instance, be considered objectionable, Mr. Palmer has desired Peer Mahomed either to withdraw his horse or to quit his service.

We have, &c.

Hyderabad, 10th May 1823. (Signed) W. PALMER AND Co.

(Enclosure No. 3.)

Letter from Secretary to Government.

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Sir:

1. I am directed to acknowledge the receipt of your despatch of the 15th ultimo, submitting a list of the individuals who have received monthly allowances from the Nizam's Government through the house of William Palmer and Co., including the partners themselves, and their families and dependants, and to acquaint you, in reply, that the Governor-General in Council is decidedly of opinion, that the whole of them should be struck off, excepting such as are *bonâ-fide* pensions to disabled soldiers, on account of service or wounds. On those which you may consider to come under the above exception, you will be pleased to submit a special report, stating your opinion as to the propriety, or otherwise, of continuing the full amount.

2. With regard to the arrears of all the pensions which the Governor-General in Council conceives should be discontinued, they will be considered among the other reserved items of the accounts in course of adjustment, as already stated to you.

3. Your despatches of the 12th and 14th ultimo have been received and submitted to the Governor-General in Council. The answer to them is suspended until the receipt of the detailed accounts, from the examination of which you have drawn your conclusion, that the loan of sixty lacs was a mere fiction to cover a transfer of old balances. The subject will then receive all the attention which so extraordinary a transaction will demand.

4. On one point, however, the Governor-General in Council can have no hesitation in expressing his opinion without further delay. The Sikh troops entertained by the Minister cannot be permitted to commit the excesses which it would appear have attracted the notice of the Nizam himself; and you will consider it your duty to point out to the Minister, in the strongest terms, the necessity of his taking effectual measures for the disbandment of that disorderly body at the earliest moment.

I have, &c.

Fort-William, 4th July 1823. (Signed) G. SWINTON, Secretary to Government.

(Enclosure No. 4.)

Letter from Resident at Hyderabad.

To G. Swinton, Esq., Secretary to Government, Fort William.

Sir:

1. I have the honour to submit a copy of a representation from Mr. Fenwick, regarding the allowance from the Nizam's Government, which he has hitherto received through Messrs. William Palmer and Co.

2. The plain sense of Mr. Fenwick's statement is, that having quitted the Nizam's service and entered into connexion with Messrs. William Palmer and Co., he nevertheless, through the influence of those gentlemen, while acting as their agent in their speculations, for their benefit and his own, has received an allowance from the Nizam's Government, equal to his former allowance in his Highness's service.

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Letter from Resident at Hyderabad.

3. Mr. Fenwick has latterly withdrawn from his connexion with Messrs. William Palmer and Co., and is carrying on speculations on his own account. He is a native of India, and as far as I am acquainted with his character, a respectable man.

4. I should see no objection to his return to the Nizam's service, on the allowance which he has hitherto received, if it were desirable for him to relinquish his speculations for that purpose; but while he is engaged in private speculations, I cannot comprehend his claim to an allowance from the Nizam's Government.

5. I solicit instructions on this point. If I be directed, as on a former occasion, merely to refer the question for the decision of Rajah Chundoo Loll, the allowance will probably be continued. On the occasion alluded to, he was ready with encouragement, and seemed anxious to abolish the allowances then in question, some of which were certainly objectionable, though afraid to do so on his own sole responsibility: but before the final reference to his decision, secret influence had been at work, and he was eager to continue them. He would, on any occasion, rather squander the money of the State, than lose a single partisan of any description.

I have, &c:

Hyderabad Residency, 20th June 1823.

(Signed) C. T. METCALFE, Resident.

Letter from Mr. Fenwick.

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Sir:

Being informed by Messrs. William Palmer and Co., through whose house I have for some years past received my allowance from his Highness the Nizam's Government, that they are no longer authorized to pay it, I am under the necessity of troubling you on the occasion, which I trust to your goodness to excuse. I beg, at the same time, most respectfully to submit to you the circumstances under which I have received this allowance, which I earnestly hope will engage your favourable consideration to my request.

I had the honour of entering his Highness's service in May 1810, as Lieutenant and Adjutant to the First Battalion of the Regular Berar Infantry, then commanded by Major C. H. Elliott. From that period to 1814, I was actively employed in operations against the refractory Bheel Chiefs on the ghauts, and in pursuit of the Pindarries, who then ravaged the valley of Berar during the fair seasons. I had the good fortune to command a battalion on several occasions, and once a brigade, on actual service. My conduct on these occasions obtained the approbation of my superiors, and a prospect was opened to me of rising in the army, whenever vacancies should occur.

About this period a project was countenanced by Mr. Russell, the late Resident, to open the navigation of the river Godavery. The scheme was undertaken by Messrs. William Palmer and Co. of Hyderabad, and Captain Tyler of the Royal Navy was entrusted with the prosecution of it. My local knowledge of the country, and intimate acquaintance with the languages, introduced me to the notice of Mr. Russell, and I was selected to assist Captain Tyler in the undertaking.

Mercantile speculations were necessarily combined with the first object of the navigation of the Godavery, and I became connected with the house of Messrs. William Palmer and Co. from the situation I held; but under the sanction of the Resident, who consented to my being thus employed, confirming at the same time the pay which I then received from the Nizam's Government, and keeping open my return to my corps at any future period, without loss of rank. From that period to the present, I have received this allowance of three hundred rupees a month through Messrs. William Palmer and Co.; but as they have now declared their inability to receive it any longer for me, I am thus induced to throw myself on your indulgence, and hope that you will be pleased to let me know where I am to draw for it hereafter. I beg, at the same time, to tender

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tender my services to be employed in any way you may think proper, trusting to make myself useful by my zeal, and from my local knowledge of the country and acquaintance with the languages.

Letter from Mr. Fenwick.

To claim your further favourable consideration, I beg to inform you, that extensive failures in my commercial undertakings have left me involved in the most embarrassing circumstances, and that should I be deprived of the allowance I have hitherto been in the receipt of from his Highness's Government, it would add to my difficulties and leave me in a very deplorable condition. It is necessary also, I presume, to acquaint you, that I have withdrawn myself for some time back from any connexion with the house of Messrs. William Palmer and Co., and that I have been enabled to subsist chiefly upon my allowance from his Highness.

I have, &c.

Hyderabad,
19th June 1823.

(Signed) R. H. FENWICK.

(Enclosure No. 5.)

Letter from Secretary to Government.

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Sir:

1. I am directed to acknowledge the receipt of a despatch from you, dated the 20th ultimo, submitting a representation from Mr. Fenwick.

2. The instructions issued to you, under date the 4th instant, include the case of Mr. Fenwick; and it is only necessary to remark, that while that individual continues engaged in trade, he can have no claim to an allowance from the Nizam, as a military officer in his Highness's service.

I have, &c.

Fort-William,
11th July 1823.

(Signed) G. SWINTON,
Secretary to Government.

(Enclosure No. 6.)

Letter from Resident at Hyderabad.

To G. Swinton, Esq., Secretary to Government, Fort-William.

Sir:

1. For reasons similar to those before submitted, I have made another advance of ten lacs of rupees to Messrs William Palmer and Co., to be accounted for by them to the Nizam's Government in the account bearing the highest rate of interest.

2. I should not consider myself justified in anticipating the sanction of the Governor-General in Council to these advances, if the urgent application of Messrs. William Palmer and Co., or their convenience, were my sole inducement. The facility afforded by these occasional advances towards the ultimate liquidation of the whole debt, the convenience to the public treasury, and the relief of the Nizam's Government, which is chargeable at present with double interest, are with me stronger motives for agreeing to the solicitations of those gentlemen.

I have, &c.

Hyderabad Residency,
20th June 1823.

(Signed) C. T. METCALFE,
Resident.

(Enclosure No. 7.)

Letter from Secretary to Government.

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Sir:

I am directed to acknowledge the receipt of your despatch of the 20th ultimo, reporting the considerations on which you had been induced to make a further advance of 10 lacs of rupees to Messrs. William Palmer and Co., and to acquaint you, in reply, that your proceedings are entirely approved by the Governor-General in Council.

I have, &c.

Fort-William,
11th July 1823.

(Signed) G. SWINTON,
Secretary to Government.

(Enclosure

Enclosures in Bengal Political Letter, 26 July 1823.

(Enclosure No. 8.)

To G. Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

I have the honour to submit a copy of a letter from Sir William Rumbold, which does not appear to require any comment on my part.

I have, &c.

Hyderabad Residency, 21st June 1823. (Signed) C. T METCALFE, Resident.

Letter from Sir W. Rumbold.

To Sir Charles T. Metcalfe, Bart, &c. &c. &c.

Sir:

I have the honour to acknowledge your letter of the 8th of May, containing a copy of a letter that day received from the Supreme Government.

I beg leave to assure the Honourable the Governor-General, that when I received the private letter from the Marquis of Hastings, alluded to in my communication to you dated the 9th of March, and requiring information from me, I felt satisfied that any admission contained in my reply to his Lordship would not be used in any manner prejudicial to me, or the interests of those to whom such admission might apply; and I was persuaded, that if the Governor-General had deemed it expedient to require any disclosure from me that was to be applied to official purposes, such information would have been required through the channel of the public officers of Government, a measure which would have awakened my attention to all the consequences of giving or of withholding the information so required, and which would have induced a caution rarely attended to in private communications.

As the affidavit which accompanied my private lettter to Lord Hastings has been treated as a public document, I could have had no reason to know that the letter had not also been produced, or that it was not now in India; and I beg leave to submit, that as it now appears that Lord Hastings did not place that letter on record, his Lordship's conduct affords a powerful confirmation, that the communication was considered by him as of a confidential and private nature.

If the Honourable the Governor-General had expressed to me, in a private communication, his desire to obtain any information that I could supply, for the purpose of removing impressions from his mind, I trust that I need not say I should have readily and confidently complied with such a request; but in such a case, I should be persuaded that the private mode of communication resorted to, afforded a pledge that no public use would be afterwards made of my communication. I therefore hope that I shall be pardoned for taking this distinction between private and official correspondence; for the communication which was made by me to Lord Hastings might, perhaps, have been withheld from the Governor-General, if I had been officially required at that time to make it through the proper officer of Government.

I have, &c.

Madras, 10th June 1823. (Signed) W. RUMBOLD,

(Enclosure No. 9.)

Letter from Resident at Hyderabad.

To G. Swinton, Esq., Secretary to Government.

Sir:

1. I have the honour to transmit a copy of a letter from Sir William Rumbold, in reply to the queries which I was directed to convey to him.

2. The usual policy of Messrs. William Palmer and Co. has been pursued in this letter. On points on which Sir William Rumbold knows that detection has been complete, he makes a merit of disclosing information; but withholds it on others, on which he supposes proof to be less certain.

3. It

Enclosures in Bengal Political Letter, 26 July 1823.

3. It will not escape your observation; that when he speaks of the house, he means the house from a certain period (1814), and excludes all transactions of an earlier date.

Letter from Resident at Hyderabad.

4. I cannot permit Sir William Rumbold's assertion, that the house has been exposed to serious dangers by the measures adopted by our Government, to pass without contradiction. I affirm with confidence, that their dangers have been owing to their own rashness and improvidence, and that the measures adopted by our Government have preserved their credit and saved them from ruin.

I have, &c.

Hyderabad Residency,
21st June 1823.

(Signed) C. T. METCALFE,
Resident.

Letter from Sir W. Rumbold.

To Sir Charles T. Metcalfe, Bart., &c. &c. &c.

Sir:

I have the honour to acknowledge your letter of April 22d, and to express my regret at the unavoidable delay which has taken place ere I could reply to it.

I should request that I might be excused from answering questions according to my belief, regarding many of which any thing I might know could only have come to my knowledge in confidence, but that I feel satisfied, the Honourable the Governor-General will not allow any information, obtained by my answers to such questions, to become injurious to those whose private affairs I may thus disclose.

In reply to your questions:

1. Mr. Hans Sotheby has been so far connected with the house of William Palmer and Co., that he received a dividend from the profits of the house upon a sum of money which he had invested in it. He had not, however, any thing to say to the management or conduct of the business of the house.

2. The connexion was not avowed: the house considered it a private arrangement for Mr. Sotheby's benefit.

3. I do not know or believe that Mr. Sotheby had any connexion with the house, or any of its members, till April 1815, at which time I became a partner. I went to Hyderabad at that time, and I understood the partners to be, Mr. William Palmer, Mr. Hastings Palmer, Mr. Currie, and Bunketty Doss. I remained at Hyderabad about a month; and after had made arrangements for joining the house, Mr. William Palmer asked me if I would agree to Mr. Sotheby's receiving the benefits of a share in it, to which I consented. Mr. Hans Sotheby's connexion with the house ceased in February 1820.

4. Mr. Sotheby has not, to my knowledge, received any more than twelve per cent. for any money lodged in the house since the period above-mentioned.

5. Mr. Sotheby did receive a payment from the house as a compensation for retiring. The house had become involved in transactions with the Nizam's Government, which made Mr. Sotheby's connexion with it appear in a different light to us, and he was offered the choice of resigning the Company's service and becoming an active partner of the house, or of withdrawing altogether. Upon his determination not to resign the service, he received a compensation from the house for retiring.

6. I remember that Dr. Currie applied for a deed of release from the house, but I do not remember whether Mr. Sotheby signed it, nor do I recollect the period at which the release was executed.

7. and 8. I did not become a resident at Hyderabad till the beginning of the year 1819. I was there for the first time in 1815: till that time all the parties mentioned in your letter were perfect strangers to me, with the exception of Mr. Samuel Russell, whom I had met in Calcutta. Neither Mr. Henry Russell nor Captain Charles Russell had any connexion with the house in 1815, when I joined it, or afterwards; and I believe that neither of them had any connexion with any of the partners of it, by which they derived any profit from the dealings of the house. The house was established in 1814. At that time I received a proposal, through a friend in Calcutta, to join Mr. William Palmer, Mr. Currie,

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Letter from Sir W. Rumbold.

and Mr. Samuel Russell, who intended to establish a house of business at Hyderabad, but I could not accept it. I can speak from my own knowledge from the beginning of 1815; but to the best of my belief, neither Mr. Henry Russell nor Captain Charles Russell had at any time any connexion with the house, or derived any profit from any pecuniary dealings with that house, beyond the ordinary interest allowed to their constituents. Mr. William Palmer had been engaged in business at Hyderabad before this house was established, but I do not know who were his associates. I had been very few months in India when the present house was established, and did not go to reside at Hyderabad for five years after its establishment, I trust, therefore, that the Honourable the Governor-General will believe, that in professing my inability to give him any information regarding the affairs of any persons at Hyderabad before the establishment of the house, I am not actuated by any other motive but my total ignorance upon the subject. I do not believe that Mr. Henry Russell or Captain Charles Russell ever received any higher interest from the house than was generally allowed to the other constituents.

9. I have already stated, that I heard in the beginning of 1814, that Mr. Samuel Russell proposed to join in establishing a house at Hyderabad. He was not a member when I joined it, but he had been for about a-year from its establishment.

10. Dr. Currie was a member of the house from its formation in 1814, and continued so till he left India. I do not remember the date of his leaving it: it was long after I joined the house, but before I went to reside at Hyderabad.

I now beg to appeal to the liberality and justice of the Honourable the Governor-General, and to request that no public use may be made of the information contained in the above answers to your queries. I earnestly entreat of him to consider, that the measure of obliging agents to betray what they may know in confidence of the private affairs of individuals, is one of great hardship: That it is impossible that men should enjoy the confidence of the public, who are known to be liable to such compulsion. Situated as our house is at Hyderabad, it is scarcely possible for it to carry on business without the support of the British Resident. The measures which the British Government has thought fit to adopt towards us, have already exposed us to serious dangers, and any further evidence of its displeasure would be utter ruin to us. Under these circumstances, I have given all the knowledge I possess regarding the questions put to me, in the confident hope that my having done so will entitle us to the kind consideration of the Honourable the Governor-General, and that he will look with lenity upon any thing irregular, which may appear by my answers to have occurred. I trust the circumstances in which Mr. Sotheby, though nominally attached to the Residency, was known to be placed then, will be considered as proving that his connexion with us was not sought with any view to the influence of his official situation. I hope the danger and distress to which the house has lately been exposed will be considered as sufficient atonement for any thing which the Honourable the Governor-General may have disapproved of in its proceedings, and as entitling it to his future protection; and I humbly and earnestly entreat, that he will save us from ruin, and that he will direct us in what manner we may for the future carry on our transactions at Hyderabad, so as to secure the support of our Government through the British Resident.

I have, &c.

Madras,
11th June 1823.

(Signed) W. RUMBOLD.

(Enclosure No. 10.)

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Letter from Secretary to Government.

Sir:

1. I am directed to acknowledge the receipt of two despatches from you, dated the 21st ultimo, submitting copies of letters from Sir William Rumbold to your address, under dates the 10th and 11th of that month.

2. It

Enclosures in Bengal Political Letter, 26 July 1823.

Letter from Secretary to Government.

2. It being understood that since the date of those letters to your address Sir William Rumbold has proceeded from Madras to England on board the ship Clydesdale, it becomes unnecessary to enter into any detailed examination of his replies to your communications. The Governor-General in Council fully concurs in the observations you have made on Sir William Rumbold's letter of the 11th June, which was written at a time when he must have been apprized of Mr. Sotheby's admission of his connexion with the house.

3. Sir William Rumbold's complaint of the hardship of requiring agents to betray the confidence of their constituents is, as he must be well aware, quite inapplicable to the case of public functionaries connected with a commercial house engaged in pecuniary dealings with a Native Prince, and circumstanced as that house was with respect to the conditions on which it was permitted to carry on those dealings with the Nizam's Government.

4. The Governor-General in Council has not failed to remark the evasion pointed out by you, in Sir William Rumbold's talking of the house as having commenced in 1814, when it is well known that the principal partners of the present firm were engaged in business for a considerable antecedent period, to the transactions of which time they do not deem it expedient to speak.

5. Upon the subject of Sir William Rumbold's other letter, it is only necessary to remark, that the reference to his private correspondence with the late Governor-General was occasioned by his own allusion to it in his letter to your address of the 9th of March. The contents of that correspondence, whatever they may be, cannot in any respect alter the deceptive character of the affidavit, or the view taken by the Governor-General in Council of the conduct of the parties to the proceedings of which it forms so prominent a part.

I have, &c.

Fort-William,
11th July 1823.

(Signed) G. Swinton,
Secretary to Government.

(Enclosure No. 11.)

To G. Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

1. Finding that it is given out, on the part of Messrs. William Palmer and Co., that I was consulted on the subject of the affidavit sworn to by Sir William Rumbold and Mr. William Palmer, I think it necessary, for the prevention of eventual mis-apprehension, to put on record a statement of the only circumstance that can by any possibility be referred to as the foundation of such an assertion.

2. Soon after I took charge of the Residency of Hyderabad, Sir William Rumbold one morning paid me a visit, and in a private conversation informed me that he, or Mr. William Palmer, had been called on by the late Governor-General to make a declaration, for the purpose of removing impressions which prevailed regarding a supposed connexion between the house and the former Residency, and he shewed me a paper prepared with that view.

3. I cannot pretend, at this distance of time, to describe either the details of that conversation or the contents of that paper. I have some recollection of several particulars, but it is too faint to be stated with confidence. The impression on my mind is, that I received Sir William Rumbold's communication with courtesy, glanced my eye over the paper, returned it immediately into his hands without offering any opinion, and quitted the subject as soon as possible. I remember enough of the declaration then shewn, to be sure that it was not the affidavit subsequently sworn to.

4. It might naturally have happened at that early period, that I should receive such a communication without being aware of any deceit. My knowledge of the transactions of the house was very inferior then to what it is now. But, in truth, I knew more than Sir William Rumbold supposed, and enough to make his communication embarrassing; for my information, as to the most important

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Letter from Resident at Hyderabad.

important point, had been acquired in confidence, and could not be communicated either to him or to any one else.

5. Sir William Rumbold has persuaded himself, or would persuade others, that on that occasion he made a confidential communication to me of Mr. Sotheby's former connexion with the house: but my recollection does not enable me to support that supposition. I remember, at another time and place, apprizing Sir William Rumbold of my knowledge of that connexion, which I could not have done if I had derived it from him. Sir William Rumbold then admitted what was too notorious to be denied: but I certainly did not obtain my knowledge of Mr. Sotheby's connexion with the house from the confidential communications of Sir William Rumbold.

6. I cannot, even now, understand what were Sir William Rumbold's motives in making the communication which forms the subject of this despatch. If he meant to consult me, it was a most treacherous consultation, for he withheld the information necessary to enable me to form an opinion. I do not, however, intend to speculate on his motives, whatever they may have been.

7. After the conversation alluded to, I heard no more of the proposed declaration. If I had thought of it I should have concluded, that the intention had been abandoned, and that my manner of receiving the communication had assisted in producing that effect; but, in reality, all recollection of the subject faded rapidly from my mind (which was occupied with other matters) and had totally ceased until it was long after revived by a knowledge of the existence of the affidavit actually sworn to.

8. This affidavit was sworn to several months after the communication made to me by Sir William Rumbold. It was different from the proposed declaration shewn to me. I knew nothing of it until, after more than a year from its date, I received a copy officially from Government. Whether it was designedly or accidentally concealed from me I cannot judge: the parties concerned in it alone know their own motives. On the part of Messrs. William Palmer and Co. the concealment seems to have been studious, for one of their European partners did not know of the proceeding until the Government called for explanation.

9. I beg leave to apologize for intruding this statement. Being aware of the existence of a private attempt to bolster up the affidavit, by pretending that I was previously consulted regarding it, I have considered it expedient, as a precautionary measure, to report publicly the circumstance herein described, in order that the Honourable the Governor-General in Council may form his own judgment on the question.

I have, &c.

Hyderabad Residency,
26th June 1823.

(Signed) C. T. METCALFE,
Resident.

(Enclosure No. 12.)

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Letter from Secretary to Government.

Sir:

1. I am directed to acknowledge the receipt of your despatch of the 26th ultimo, reporting that it is given out by Messrs. William Palmer and Co., that you were consulted on the subject of the affidavit, and stating the only circumstance which can by any possibility be referred to as the foundation for such an assertion; and to acquaint you, in reply, that your statement is considered by the Governor-General in Council to be entirely satisfactory, and the motives which induced you to submit it highly proper.

2. The Governor-General in Council deems it quite unnecessary to make any remarks on the character of the proceedings which form the subject of your despatch.

I have, &c.

Fort-William,
18th July 1823.

(Signed) GEO. SWINTON,
Secretary to Government.

(Enclosure

Enclosures in Bengal Political Letter, 26 July 1823.

Letter from Resident at Hyderabad.

(Enclosure No. 13.)

To G. Swinton, Esq., Secretary to Government.

Sir:

1. I am directed, in the fifth paragraph of your despatch (No. 1) of 6th June,* to report my opinion as to the expediency of continuing, after Lieutenant Holroyd's retirement, to vest in the hands of the officer commanding the Residency Escort the charge of the police of the bazars and environs of the Residency, and as to the amount of salary which will form a suitable remuneration for the duty.

2. The Residency is surrounded by a considerable town, which has grown up under the protection of the British flag, inhabited by a population of all classes, including many wealthy merchants, European and Native, who have settled here under the Resident's protection.

3. The accumulation of people under the protection of our flag in a foreign country, appears to me to be objectionable in some respects; but it has taken place as above described, and cannot now be easily remedied.

4. The Nizam's Government exercises no direct authority, beyond the collection of duties, over the people thus situated, on account of the protection of the British flag; and if they were left without any superintendence, the utmost disorder and insecurity might be expected to ensue. At the same time, our protection could not be withdrawn, without exposing the rights established by international law to violation, and the Residency to insult.

5. Hence arises the necessity for placing the police of the Residency and its environs under the charge of one of the officers attached to it. The Commandant of the Escort seems to be a fit person, as the military protection of the Residency and the distribution of the guards are necessarily under his direction. The duty is not unimportant, and has been performed entirely to my satisfaction by Lieutenant Holroyd.

6. With a view to save the present allowance assigned to that officer by the Nizam's Government, it has been my intention, on the future retirement of Lieutenant Holroyd, to place the police duties under the charge of one of the Assistants: but if it should be found that the efficiency of the superintendence would be diminished by a separation of those duties from the military command, I should then be of opinion, that about one half of the present allowance, or seven or eight hundred Hyderabad rupees per mensem (to the officer commanding the escort), might form a suitable remuneration for the duty, after the retirement of Lieutenant Holroyd.

I have, &c.

Hyderabad Residency,
27th June 1823.

(Signed) C. T. METCALFE,
Resident.

Letter from Resident at Hyderabad.

(Enclosure No. 14.)

To G. Swinton, Esq., Secretary to Government.

Sir:

1. I have the honour to obey the instructions conveyed in the seventh paragraph of your despatch (No. 1) of the 6th instant.

2. The duties performed by Mr. Ralph are the same as those performed by the other gentlemen employed in checking oppression in the Nizam's country. The appointment cannot at present be dispensed with. The allowances are, in some degree, higher than those of the other gentlemen employed in the same way; because, as Mr. Ralph was in the enjoyment of those allowances when I assumed charge of the Residency, I have been induced by that consideration to refrain from proposing their reduction.

I have, &c.

Hyderabad Residency,
27th June 1823.

(Signed) C. T. METCALFE,
Resident.

(Enclosure

* Vide page 541.

Enclosures in Bengal Political Letter, 26 July 1823.

Letter from Resident at Hyderabad.

(Enclosure No. 15.)

To G. Swinton, Esq., Secretary to Government.

Sir:

1. With reference to the third paragraph of your despatch of the 6th instant* (No. 1) I have the honour to state that Captain Robison, therein mentioned, is not to my knowledge an agent of Messrs. William Palmer and Co., nor now, if at any time, connected with them. He is doing duty with his corps. Mr. Fenwick was lately their agent at Madhapore.

2. Captain Robison's brother was formerly in the Nizam's service, with the command of a corps and the charge of districts. He also carried on private speculations, and amassed a considerable fortune. An extra allowance or pension of five hundred rupees per mensem was obtained for Captain Robison, I know not how or why. It is now consolidated with the pay of his rank, by which arrangement all pretence of its being an allowance independent of service is made to cease, and means may hereafter be found of preventing its being any extra burthen to the Nizam's Government.

I have, &c.

Hyderabad Residency, 27th June 1823.

(Signed) C. T. METCALFE, Resident.

Letter from Resident at Hyderabad.

(Enclosure No. 16.)

To G. Swinton, Esq., Secretary to Government.

Sir:

1. With reference to the sixth paragraph of your despatch (No. 1) of the 6th instant, I proceed to report on the case of the Residency Surgeon, as Physician to the Durbar.

2. It cannot be said, that he is at present called on for much attendance on the Nizam and his family as a medical adviser. The Nizam generally prescribes for himself. He sometimes, however, applies for medicines, which are furnished by the Residency surgeon; whose duty, with respect to the Nizam, consists more in readiness to attend, when he may be required, than in actual attendance. Neither can it be said, that this officer either was or is the choice of his Highness. Having succeeded to this appointment as attached to the Residency Surgeoncy, no one else has been thought of on the few occasions on which the Nizam has employed him.

3. The appointment of Physician to the Durbar seems to have originated in the administration of Meer Allum, who was a martyr to disease, and gave a preference to European pharmacy. At that time, I understand the attendance of the Residency Surgeon on the Ministers was continual and laborious, and he received large presents, in addition to his fixed allowance from the Nizam's Government. Since Meer Allum's death, the Ministers have not made frequent demands on the Residency Surgeon; and in this respect, also, the duty now consists more in the liability to be called on, than in actual attendance.

4. The principal duty of the office now is to afford medical aid to any people of the court, city, or country, who require it. In this way there is continual employment.

5. The allowance received by the Residency Surgeon will enable me, on Mr. Lamb's removal from the office of Medical Storekeeper, to propose the abolition of this office, and the saving of the allowance attached to it, by a transfer of its duties to the Residency Surgeon without any addition to his present salary.

6. In order to succeed to the Residency Surgeoncy with the other office annexed, Mr. Jefferys relinquished an office in the Nizam's service, of higher emolument than both these together.

7. After the retirement of Mr. Jefferys, the salary attached to the office of the Residency Surgeon, as Physician to the Durbar, may I conceive be discontinued.

I have, &c.

Hyderabad Residency, 27th June 1823.

(Signed) C. T. METCALFE, Resident.

(Enclosure

* Vide page 541.

Enclosures in Bengal Political Letter, 26 July 1823.

(Enclosure No. 17.)

To G. Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

1. I have received Mr. Lamb's resignation.

2. In justice to him I must remark, that he has always performed his medical duties in the Nizam's service with zeal and fidelity.

3. The office, however, of Medical Storekeeper on so high a scale, has always appeared to me to be unnecessary; and I should have proposed its reduction long ago, had I not been dissuaded by reluctance to deprive an individual of an advantage in actual enjoyment.

4. The office is now abolished, the allowances revert to the Nizam's Government, and the charge is transferred to the Residency Surgeon, who in consequence of his salary from the Nizam's Government, can perform this additional duty without the necessity of any increase of allowance.

I have, &c.

Hyderabad Residency, 28th June 1823.

(Signed) C. T. METCALFE, Resident.

(Enclosure No. 18.)

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Letter from Secretary to Government.

Sir:

1. I am directed to acknowledge the receipt of four despatches from you, under date the 27th, and one dated the 28th ultimo, reporting your proceedings under the instructions of the 6th of that month, and to communicate to you the following orders and observations on the several points to which they respectively relate.

2. The Governor-General in Council approves the principles stated in your letter, regarding the future charge of the police of the bazar and environs of the Residency. You have not specifically reported that the allowance hitherto drawn by Lieutenant Holroyd, as compensation for the duties collected by the officers of his Highness, has been abolished; but the Governor-General in Council concludes, from the context, that the fixed salary, agreeably to the instructions conveyed to you in my letter, is the only allowance hereafter to be received by that officer from his Highness's Government. On the retirement of Lieutenant Holroyd, the salary proposed by you of seven or eight hundred Hyderabad rupees, will, it is conceived, be an ample remuneration for whatever officer it may be determined to invest with the duties in question.

3. Under the communications stated in your letter relating to the case of Mr. Ralph, the Governor-General in Council does not propose to direct any change to be made in the appointment held by that individual.

4. Your letter respecting Captain Robison does not call for any particular observations.

5. In your letter of the 28th, you report the resignation by Mr. Lamb of the situation of Medical Storekeeper, and the abolition of that office, by the transfer of the duties to the Residency Surgeon. That arrangement is entirely approved. With advertence to the circumstances under which Mr. Jefferys holds his present situation as Surgeon to the Nizam, the Governor-General in Council is pleased to allow him to retain the salary he has hitherto enjoyed as annexed to that appointment, in consideration of his performing the duties of the situation now vacated by Mr. Lamb. On the retirement of Mr. Jefferys, however, the next Residency Surgeon is not to succeed, as a matter of course, to the situation of Surgeon to his Highness, nor to the salary attached to that appointment, as now held by Mr. Jefferys. In the event of his Highness desiring to have an European medical officer (whether the Surgeon to the British Residency or any one else) attached to the Durbar, it is conceived that the allowance of one thousand five hundred rupees annexed to the situation of Medical Storekeeper, the duties of which would devolve upon the person so selected by his Highness, would constitute a sufficient remuneration.

I have, &c.

Fort-William, 18th July 1823.

(Signed) G. SWINTON, Secretary to Government.

(Enclosure

Enclosures in Bengal Political Letter, 26 July 1823.

Letter from Resident at Hyderabad.

(Enclosure No. 19.)

To G. Swinton, Esq., Secretary to Government, Fort-William.

Sir:

On a reference to Messrs. William Palmer and Co., it appears that Mr. Lamb joined their establishment in July 1820.

I have, &c.

Hyderabad Residency, 30th June 1823. (Signed) C. T. METCALFE, Resident.

Letter from Resident at Hyderabad.

(Enclosure No. 20.)

To G. Swinton, Esq., Secretary to Government.

Sir:

1. With reference to the concluding paragraph of your despatch (No. 2) of the 13th ultimo, I have to report, that Rajah Chundoo Loll has not, as he states, yet had an opportunity of proposing the redemption of the peshcush for the consideration of his Highness the Nizam.

2. The reason assigned for the delay is, that his Highness has refused to receive the Minister on business.

3. When last I spoke to the Minister on the subject, he informed me, that if he could gain access to the Nizam and obtain a private interview, he would answer for his Highness's consent.

4. Trusting to his usual address in overcoming such obstacles, I have not yet pressed him to precipitate the proposal at the risk of its being rejected, merely from ill-humour, without a dispassionate examination of its merits: I shall not, however, submit to much longer delay.

5. I suspect that the real difficulty may consist in the Minister's not daring to meet his master with a true statement of the amount of debt, and of the causes which have rendered the redemption of the peshcush an advantageous and desirable measure for his Highness's interests.

I have, &c.

Hyderabad Residency, 1st July 1823. (Signed) C. T. METCALFE, Resident.

POLITICAL LETTER *from* BENGAL.
Dated 31*st July* 1823.

Bengal Political Letter, 31 July 1823.

1. Since the despatch of our letter of the 26th instant, we have received from the Resident at Hyderabad the detailed accounts of the house of William Palmer and Co., with the Government of his Highness the Nizam. These accounts have, in our opinion, conclusively established the fact of the fictitious nature of the sixty-lac loan.

2. Having expressed our sentiments on the subject of those accounts in our respective minutes recorded on this date, we deem it unnecessary to trouble your Honourable Court with any detailed observations in this place, respectfully referring your Honourable Court to the minutes themselves, which are transmitted as numbers in the packet.

3. We have also the honour to transmit copies of the Resident's despatches and the accounts above adverted to, together with a copy of our instructions to Sir Charles T. Metcalfe in reply, the tenor of which, we hope, will be honoured with the approbation of your Honourable Court.

We have, &c.

Fort-William,
31st July 1823.

(Signed) J. Adam,
John Fendall,
J. H. Harington.

(Enclosure No. 1.)

Letter from Resident at Hyderabad.

To G. Swinton, Esq., Secretary to Government.

Sir:

1. The accompanying are the original accounts delivered in by Messrs. William Palmer and Co., relating to their Hyderabad concern, with the explanations which they have afforded.

2. Neither the accounts nor the explanations convey much information. It was not to be expected that Messrs. William Palmer and Co. would disclose any thing that they could conceal.

3. It is surprising to observe throughout these accounts, with the exceptions of the transfers from the Aurungabad and Berar Suwar accounts, how few items comparatively can be considered as advances for any beneficial State purpose. Jewellery and other expensive purchases from Messrs. William Palmer and Co., pensions, allowances, and payment to individuals, without any apparent public purpose; such are the charges which predominate.

4. Many payments appear of cash to a person named Nursoo. This is a confidential servant of Rajah Chundoo Loll, who used to attend the house for money. If the disbursements of this person could be ascertained, they would, I suspect, disclose much which remains concealed.

5. The transfers which made up the fictitious sixty-lac loan will be found in sheets thirty-five and thirty-six; and if these accounts are of little use in any other respect, they have rendered an important benefit by the complete exposure of the deceit and falsehood practised in that infamous transaction.

6. I have not detained these accounts to take copies of them, because I am anxious to receive, as soon as possible, the final orders of the Honourable the Governor-General in Council regarding them. If the sum reserved to meet possible retrenchments is eventually to be paid, it is obviously expedient that it should be paid as soon as possible, to relieve the Nizâm's Government from the interest chargeable on it. I beg the favour of your returning these accounts to be copied here, or sending me copies from your office.

7. As I required that all payments, in the first instance, should be credited in the account bearing the highest rate of interest, Messrs. William Palmer and Co. have closed the twenty-five per cent. account, consequently, if any retrenchments be ordered, they will be accounted for in the eighteen per cent. account.

I have, &c.

Hyderabad Residency,
12th July 1823.

(Signed) C. T. Metcalfe,
Resident.

[Account A. Folio 1.]*

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and CO.

HYDERABAD.

Dr.

H. 1229.—F. 1223.			Hyderabad Rupees.	A.
Jemadee oo sanee	14.	To jewellery	360	0
	15.	.. Former concern	2,50,000	0
Rujeb	4.	.. One shawl	81	0
	6.	.. Jewellery	3,262	8
	13.	.. One pair shawls	237	0
		.. Jewellery. *One bala* 850, *purchases of jewellery from General Pater* 7,740 *Rs.*	8,590	0
Shabaun		.. Shawls, 29th Rujeb	1,893	8
		.. Shawls, 14th Rujeb	83	0
	1.	.. Hurjee Mul and Luckmun Doss	185	0
		.. Jewellery 29th Rujeb	2,635	0
		.. Kishen Doss	650	0
	17.	.. Four pairs shawls	678	0
	20.	.. Two pairs shawls	246	0
Rumzaun	3.	.. Three pairs shawls	535	0
	9.	.. Twenty-two and a half pairs shawls	398	8
		.. Jewellery, 29th Shabaun	400	0
	10.	.. Jewellery	650	0
	18.	.. Mr. S. H. Russell for chairs, &c.	1,925	3¼
	20.	.. Two pairs shawls	695	0
	19.	.. One hundred selahs	1,596	0
	23.	.. Jewellery	1,600	0
	29.	.. Two and a half pairs shawls	482	8
F. 1224.				
Shuwaul	1.	.. Nursoo, 9th Shaban and 29th Rumzaun.	310	0
	9.	.. Interest to 1st Rumzaun	12,666	10½
	16.	.. Two pairs shawls	300	0
Zeekaud	2.	.. Jewellery, 26th Shuwaul	475	0
	20.	.. Jewellery	15,074	12
	22.	.. One pair shawls	250	0
Zehijj		.. Four pieces kimkhabs, 20th Zeekaud	900	0
		.. Thirty-nine pieces musbroo, and one pair shawls, 22d Zeekaud	752	8
		.. Twenty-one pieces kimkhabs, 24th Zeekaud	3,055	12
		.. Nine pieces kimkhabs, two dooputtas, and one mushroo, 29th Zeekaud	4,031	9
		.. Thirty-five pairs shawls, 29th Zeekaud	7,332	0
		.. Seventy-two turbands and seventy-one pieces selahs, 29th Zeekaud	1,425	14
	11.	.. Two pieces mushroo and eight and a half pairs shawls	1,507	0
		.. Jewellery, 29th Zeekaud	585	0
	10.	.. Jewellery	462	8
	25.	.. Nine pieces kimkhabs and six pairs shawls	2,830	4
	11.	.. Jewellery (*reference sheet, page first*)	10,069	0
	25.	.. Jewellery	3,725	0
	26.	.. Thirty-one selahs, five turbands, two pairs shawls and ten pieces	1,094	4
H. 1230.				
Moburrum	1.	.. Jewellery, 26th Zeehijj	1,245	0
		.. Jewellery, 29th Zeehijj	2,135	0
	1.	.. Three pieces kimkhabs, fifteen pieces selahs, and two pairs shawls	1,176	13
		.. Thirty maunds candles	1,080	0
	15.	.. Four and a half pairs shawls, two pieces selahs, and one turband	876	6
		.. Two pairs shawls, 29th Rumzaun	235	0
	17.	.. Three and a half pairs shawls	473	8
		Carried forward	Rupees 3,51,251	15¾

Cr.

H. 1229.—F. 1223:			Hyderabad Rupees.	A.
Rujeb	24.	By Sham Doss on account Tunkha in Peshcush	59,500	0
Shabaun	9.	.. Resident's treasury do.	50,000	0
Rumzaun	5.	.. Do. do.	25,000	0
	6.	.. Do. do.	15,500	0
	21.	.. Old concern	10,000	0
F. 1224:				
Shuwaul	15.	.. Resident's treasury on account Tunkha in Peshcush of 1223 Fuslee on ditto in full	90,000	0
Zeehijj	11.	.. A nuth returned	600	0
H. 1230:				
Rubee oo sanee	3.	Hurjee Mul on account Tunkha of Gudwall	5,000	0
	2.	.. Hurjee Mul and Luchmun Doss on account Tunkha of Gudwall	5,000	0
	8.	.. Cash on account Tunkha of Gudwall	10,632	0
	9.	.. Cash on account Tunkha of Gudwall	28	0
		.. Jumna Doss on account Tunkha in Gudwall	4,340	0
	14.	.. Hurjee Mull and Luchmun Doss on account Tunkha in Gudwall	25,000	0
Jemadee oo sanee	17.	.. Ruffaat-ool Moolk	50,250	0
		.. Race Bal Chund	23,000	0
		Ushruff-ood Dowlah	5,000	0
Shabaun	1.	.. Race Bal Chund in full of first kist	44,000	0
Rumzaun	6.	.. Old concern on account Bhuwannee Singh, &c., three months' wages charged to his debit at one hundred and fifty-eight rupees per month to end of Rujeb	474	0
	13.	.. Ruffaat-ool Moolk	51,800	0
	17.	.. Ruffaat-ool Moolk from 9th Shuwaul next	950	0
	29.	.. Errors in account	14	9¼
		.. Cash received on account Shaikh Mukhdoom, &c.	140	0
		Carried forward	Rupees 4,76,228	9¼

(Signed) Wm. Palmer and Co.

* Note.—*The accounts of Messrs. Wm. Palmer and Co. are printed page for page from the MSS. The additions of the columns are sometimes incorrect, which is most probably ascribable to numerical errors in the transcription of the items.*

[Account A. Folio 2.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr.

H. 1230.— F. 1224:			Hyderabad Rupees.	A.
		Brought forward - -	3,51,251	15¾
Mohurrum		To one pair shawls - - - - -	350	0
	25.	.. Four pairs and one shawl - -	832	0
	28.	.. Jewellery - - - - - -	3,700	0
Suffer		.. Two pairs shawls, 29th Mohurrum -	238	0
	11.	.. Seven and a half pairs shawls, two pieces Kimkhabs, and two pieces selahs	1,809	0
	19.	.. Five pairs shawls and three pieces Kimkhabs - - - - - -	1,757	0
	27.	.. Jewellery, 29th Zechijj - - -	1,170	0
		.. Jewellery, 5th instant - - -	790	0
Rubbee ool awul	26.	.. Fourteen pairs shawls - - -	3,082	8
	1.	.. Four pairs shawls - - -	796	0
	10.	.. Five dooputtas, sixteen selahs, and one pair shawls - - - - -	674	8
	17.	.. Old concern - - - - - -	50,000	0
	17.	.. Seven pairs shawls, five pieces mushroo, four pieces kimkhabs, and two turbands	2,117	8
	19.	.. Jewellery - - - - - -	1,000	0
	28.	.. One piece kimkhab, one dooputta, and one pair shawls - - - - -	509	0
Rubbee oo sanee	7.	.. Old concern - - - - - -	1,18,500	0
		.. One piece kimkhab, one turband, one dooputta, and one shawl - - -	466	0
		.. Interest 1st Rubbee-ool Awul last - -	15,728	0
		.. Hakeen Shufaee Khan. *On the Rajah's order* - - - - - -	6,045	0
		.. Puthrobee. *On the Rajah's order* -	356	4
		.. Feed of camels - - - - - -	421	6¾
		.. Rajesoor Doss, Dewalee present -	100	0
		.. Rungum, his salary - - -	15	0
	11.	.. Jewellery - - - - - -	585	0
	14.	.. Old concern from 1st last month -	2,00,000	0
	17.	.. One pair shawls and one dooputta -	115	8
	19.	.. Jewellery - - - - - -	225	0
Jemadee ool awul	3.	.. Two and a half pairs shawls - -	257	0
	5.	.. Jewellery, 30th ultimo - - -	920	0
	15.	.. Three pairs shawls 7th instant - -	253	0
	16.	.. Jewellery - - - - - -	2,364	12
	18.	.. Old concern - - - - - -	1,00,000	0
		.. Jewellery - - - - - -	7,227	0
	17.	.. One and a half pair shawls - -	196	8
Jemadee oo sanee	8.	Four pieces kimkhabs, nine pieces selahs and four and a half pairs shawls	1,926	8
	10.	.. Cash paid sepoys - - - -	266	7½
	12.	.. Jewellery, 29th ultimo - - -	2,025	0
		.. Jewellery, 11th instant - - -	963	0
	15.	.. Cash paid Shaikh Mookhdoom and Shaikh Ismael Naig - - -	140	0
	16.	.. Three pairs shawls - - - -	256	0
	15.	.. Jewellery - - - - - -	2,892	0
	18.	.. Cash paid Mohur Singh and Bhuwanee Singh - - - - -	158	0
	26.	.. Four pairs shawls - - - -	482	0
	28.	.. Jewellery, 17th instant - - -	150	0
Rujeb	3.	.. Two pairs shawls, 28th ultimo - -	356	0
	6.	.. Cash paid Shroff for four months -	60	0
	9.	.. Cash paid Mohur Singh and Bhuwanee Singh - - - - - - -	158	0
	11.	.. Nine and a half pairs shawls - -	975	4
	20.	.. Jewellery - - - - - -	1,250	0
	22.	.. Eight and a half pairs shawls 19th instant - - - - - - -	1,090	0
		Carried forward - Rupees	8,87,001	2

Cr.

H. 1230: F. 1224.		Hyderabad Rupees.	A.
	Brought forward - -	4,76,228	9½
	Carried forward - Rupees	4,76,228	9½

[Account A. Folio 3.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr. *Cr.*

H. 1230 :— F. 1224.		Hyderabad Rupees.	A.
	Brought forward -	8,87,001	2
Shabaun 4.	To Jewellery, 3d ultimo - - -	275	0
	.. Jewellery, 27th ultimo - - -	3,300	0
	.. Cash paid Mohur Singh and Bhuwanee Singh - - - - - -	158	0
7.	.. Two pairs shawls, 8th ultimo - -	275	0
8.	.. Ten pairs shawls, 29th ultimo and 1st instant - - - - -	1,314	8
11.	.. One pair shawls - - - -	110	0
18.	.. Three and a half pairs shawls - -	435	8
21.	.. Jewellery, 5th instant - - -	200	0
	.. Jewellery, 19th instant - - -	1,050	0
22.	.. Jewellery - - - - -	300	0
26.	.. Two pairs shawls, 19th instant - -	190	0
28.	.. Jewellery, 24th instant - - -	115	0
30.	.. Jewellery, 26th instant - - -	775	0
Rumzaun 1.	.. A shawl handkerchief - - -	200	0
3.	.. Jewellery - - - - -	315	0
7.	.. One pair shawls, 29th ultimo - -	76	0
8.	.. Two pairs shawls - - - -	215	0
12.	.. Twenty maunds candles - - -	570	0
16.	.. Jewellery, 3d instant - - -	200	0
15.	.. Three pairs shawls - - - -	350	0
20.	.. Jewellery, 11th and 12th instant -	774	0
21.	.. Three pairs shawls - - - -	295	0
24.	.. A sirpainch - - - - -	100	0
28.	.. Jewellery - - - - -	6,246	4
24.	.. One pair shawls - - - -	170	0
29.	.. Interest to this date - - -	55,069	4¼
	.. Puthsoobee - - - - -	356	4
	.. Rungum Shroff - - - -	45	0
	.. Syud Hoossain Khan on account of Soobrow - - - - -	400	0
	.. Piadas their pay to this date - -	1,073	0¾
	.. Mr. William Palmer - - - -	24,000	0
	.. Mr. William Palmer for Sepoys -	3,840	0
	.. Mr. Hastings Palmer - - -	12,000	0
	.. Mr. Richard Palmer - - -	7,200	0
	.. Sooltaun Hoossain Khan - -	8,400	0
	.. Muhmood Naig Khan - - -	8,340	0
	.. Muhmood Naig Khan for an Elephant - - - - - -	720	0
	.. Syud Hussun Sahib for Suwars *on Dustkhuttee Bund* - - - -	15,000	0
	.. Old concern transferred balance due -	1,88,897	9¾
	Total - Rupees	12,30,351.	8¾

H. 1230 :— F. 1224.		Hyderabad Rupees.	A.
Rumzaun 29.	By amount from folio 1 - -	4,76,228	9¼
	By balance - - - - - -	7,54,122	15½
	Rupees	12,30,351	8¾

(Signed) WM. PALMER and Co.

[Account A.—Folio 4.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr.

H. 1230 :— F. 1225.			Hyderabad Rupees.	A.
		Brought forward -	7,54,122	15½
Shuwaul....	4.	To jewellery - - - - - -	550	0
	7.	.. Cash paid Mohur Singh and Bhowanee Singh - - - - - - -	316	0
	10.	.. Two and a half pairs shawls - -	254	6
	16.	.. Jewellery - - - - - -	1,500	0
	17.	.. Jewellery. (*Vide Reference-sheet, p.* 1)	17,147	7
	20.	.. Jewellery - - - - - -	3,632	0
	16.	.. Four pairs shawls - - - -	750	0
	17.	.. Eighteen pieces selahs and one turband	293	14
	19.	.. One pair shawls - - - - -	290	0
	26.	.. Draft in favour of Bunmallee Dos Dwarka Dos - - - - - -	1,37,000	0
	25.	.. Six pieces kimkhabs, one piece gool anar, six pieces selahs, one piece mushroo, one turband, five jumawars, and two pairs shawls - - - -	1,995	9
Zeekaud....	5.	.. Jewellery, 29th ultimo - - -	949	0
	10.	.. Cash paid Mohur Singh and Bhowanee Singh - - - - - - -	158	0
	17.	.. Twenty-five pairs shawls, forty-seven pieces kimkhabs, three dooputtas, forty-eight pieces selahs, and three turbands - - - - - -	15,635	5½
	5.	.. Three pairs shawls, two pieces kimkhabs, and two pieces selahs - -	1,178	12
	6.	.. Two pairs shawls - - - - -	397	0
	7.	.. Four pairs shawls and two pieces mushroo - - - - - -	634	8
	9.	.. Two and a half pairs shawls and six pieces mushroo - - - -	432	4
	11.	.. Three pairs shawls and three pieces mushroo - - - - -	602	0
	17.	.. Four pairs shawls - - - - -	539	0
	20.	.. Five pairs shawls, one piece mushroo, and four pieces kimkhabs - -	1,684	0
	4.	.. Eleven pairs shawls, nine pieces kimkhabs, and twenty pieces selahs -	4,047	12
	26.	.. Cash paid guard of sepoys - -	30	0
	29.	.. Six pairs one furd shawls, three pieces kimkhabs, two pieces mushroo, and two pieces selahs - - - -	1,724	8
Zeehijj.....	26.	.. Jewellery - - - - - -	785	0
	7.	.. Cash paid Mohur Singh and Bhowanee Singh - - - - - - -	158	0
		.. A dooputtee, 8th Zeekaud - -	98	0
	8.	.. Three pairs shawls - - - -	574	0
	5.	.. Jewellery - - - - - -	3,915	4½
	9.	.. Jewellery - - - - - -	2,177	0
	10.	.. Jewellery - - - - - -	396	4
	14.	.. Cash paid Rajesoor Das - - -	100	0
	15.	.. Six pairs shawls - - - - -	892	8
	22.	.. Six pairs shawls - - - - -	777	0
	11.	.. A Toorah - - - - - -	450	0
	29.	.. Jewellery - - - - - -	2,115	0
	30.	.. Jewellery - - - - - -	1,010	0
H. 1231. Moburrum..	5.	.. Cash on your Chittee for six thousand rupees in part - - - - -	78	13½
		.. Transfer on your Chittee, 5th instant -	537	6½
	6.	.. Transfer on your Chittee, 6th instant -	515	0
		.. Transfer on your Chittee, 6th instant -	1,250	0
	11.	.. Transfer on your Chittee, 11th instant	3,500	0
	5.	.. Discount on your Chittee - - -	118	12
	7.	.. Company's Rupees at ten per cent.	787	6½
	15.	.. Ten selahs, 23d Zeehijj - - -	140	0
		.. A kimkhab, 29th Zeehijj - - -	30	0
		.. Four pairs shawls, 30th Zeehijj - -	951	0
	11.	.. Ten maunds candles - - -	360	0
	13.	.. Three pairs shawls - - - -	537	2
	21.	.. Six turbands and two pieces mushroo, 5th Zeehijj - - - - -	78	0
	21.	.. Eight pairs shawls - - - -	1,226	4
		Carried forward - Rupees	9,69,422	2

Cr.

H. 1230 :— F. 1225.			Hyderabad Rupees.	A.
Shuwaul....	12.	By Ushruff ood Dowlah, 3d Zeekaud, Rupees 1,500; 7th Zeekaud, Rupees 3,500	5,000	0
	16.	.. Raee Bal Chund, 1st instant, Rupees 20,000; 8th, Rupees 10,000; 30th, Rupees 10,000 - - - -	40,000	0
Zeekaud....	22.	.. Raee Bal Chund, from 5th Zeehijj next, Rupees 15,000; 15th Zeehijj next, Rupees 15,000 - - - -	30,000	0
Zeehijj	13.	.. Cash received from Ismael Muhummud	1,025	0
H. 1231. Mohurrum ..	2.	.. Chittee returned - - - -	537	6½
	6.	.. Hoondee returned - - - -	250	0
	5.	.. Raee Bal Chund, on account tunkha in Sholapore - - - - -	10,000	0
		.. Ushruff ood Dowlah tunkha, for F. 1224 closed, due 7th Suffer - - -	5,000	0
Suffer.....	6.	.. Ruffaat-ool Moolk, from following dates in the part of the last kist of tunkha on him :—		

19th Zeekaud.	Rs. 2,450 0	29th Zeekaud..	Rs. 9,800 0
27th Zeekaud..	14,323 0	3d Zeehijj.....	50 0
26th Zeekaud..	5,193 0	5th Zeehijj.....	47 0
20th Zeekaud..	1,900 0	6th Zeehijj.....	60 0
21st Zeekaud..	9,002 0	25th Zeehijj.....	175 0
28th Zeekaud..	2,469 9	30th Zeehijj.....	75 0
25th Zeekaud..	5,875 0	1st Moburrum..	30 7
26th Zeekaud..	50 0		

			51,500	0
Suffer.....	14.	.. Raee Bal Chund in part last kist of a tunkha, 6th Rubbee ool awul, Rupees 30,000; 16th Rubbee ool awul, Rupees 5,111. 7½ - - - -	35,111	7½
	22.	.. Kummur-ood Deen Khan - -	2,913	4
		.. Suree Naig Rao Inkajee - - -	3,025	3
		.. Interest returned in above - -	69	9
Rubbee ool awul	14.	Ruffat-ool Moolk, transfer payments in part of kist of tunkha for F. 1225	38,739	0
	18.	.. Ruffaat-ool Moolk, transfer payments in part of kist of tunkha for F. 1225	44,000	0
	19.	.. Ushruff ood Dowlah, in full of his first kist, from 27th Jemadee ool awul next - - - - - - -	6,666	10½
	21.	.. Rajah Govind Buksh, on account of tunkha: 22d Suffer, Rupees 2,500; 24th Suffer, Rupees 800; 25th Suffer, Rupees 2,700; 22d Rubbee-ool awul, Rupees 1,300; 24th Rubbee ool awul, Rupees 700 - -	8,000	0
Rubbee oo sanee	18.	Ruffaat-ool Moolk, in full of first kist for F. 1225 - - - - -	15,000	0
	11.	.. Ruffaat-ool Moolk, in account second kist for F. 1225 - - - -	16,000	0
	29.	.. Rajah Govind Buksh: 1st Rubbee-ool awul, F. 1231, Rupees 2,000; 7th Rubbee ool awul, Rupees 2,000; 1st Rubbee oo sanee, Rupees 4,000; and 7th Rubbee oo sanee, Rupees 2,000 - - - - - -	10,000	0
Jemadee ool awul	20.	Raee Bal Chund, in full of tunkha for F. 1224 - - - - -	17,888	6½
	16.	.. Ruffaat-ool Moolk, part of second kist of tunkha - - - - -	8,300	0
	26.	.. Ruffaat-ool Moolk, in part payment of tunkha - - - - - -	30,826	2
	29.	.. Serferaj Sing, deducted in payment -	491	8½
	30.	.. Ruffaat-ool Moolk, in part payment of second kist - - - - -	13,056	0
Jemadee oo sanee	3.	.. Transfer, amount paid 29th ultimo -	1,139	0
Rujeb.....	2.	.. Transfer of Gholam Hoossain Moortizsar on Chittee - - - -	1,000	0
	11.	.. Nursoo, error in account - - -	12	8
	30.	.. Ruffaat-ool Moolk, in full of second kist, and in part of third tunkha on him - - - - - -	41,421	0
Shabaun....	11.	.. Rajah Govind Buksh, on account tunkha on him - - - - -	14,000	0
Rumzaun ..	11.	.. Raee Bal Chund, receipts on account tunkha - - - - - -	22,379	0
		Carried forward - Rupees	4,72,961	3½

(Signed) WM. PALMER and Co.

[Account A.—Folio 5.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr.

H. 1231:— F. 1225.			Hyderabad Rupees.	A.
		Brought forward	9,69,422	2
Mohurrum	24.	To five maunds candles	180	0
	21.	.. Twenty-five selahs	339	0
	29.	.. Eight pairs shawls, one kimkhab, and four pieces selahs	1,593	8
	30.	.. Jewellery	3,070	0
Suffer	5.	.. Cash paid Bhowanee Singh Naig	76	0
	19.	.. Four pairs shawls	587	8
	22.	.. Interest in Chittee	8	0
		.. Eleven pieces kimkhabs	907	4
	21.	.. Jewellery	2,986	0
	26.	.. Seven and a half pairs shawls	786	4
	21.	.. Jewellery	413	0
	28.	.. Jewellery	180	0
	29.	.. Jewellery	5,450	0
Rubbee ool awul	7.	.. Cash paid Rungum, six months' salary	90	0
	11.	.. One pair shawls, 27th Suffer	98	0
	5.	.. Two pairs shawls	341	0
	9.	.. One and a half pair shawls	214	8
	12.	.. Jewellery, 4th Suffer	175	0
	13.	.. Cash paid Bhowanee Singh Naig	38	0
	11.	.. Jewellery	1,638	0
	15.	.. Cash on your Chittee for Rupees 1000 due, and of Jemadee oo sanee next	947	0
	18.	.. Discount on your Chittee	53	0
	21.	.. Discount on item Rupees 8,000 per contra	160	0
	17.	.. Jewellery	1,827	8
	24.	.. Five pairs two furd shawls, and one piece kimkhab	577	1
	28.	.. Jewellery	1,510	0
	29.	.. Three and a half pairs shawls and two selahs	575	0
Rubbee oo sanee	5.	.. Four pairs shawls	912	4
	11.	.. Cash paid Bhowanee Naig	38	0
	12.	.. Seven and a half pairs shawls	1,050	4
	11.	.. Five maunds and six seers of goolal	207	0
	3.	.. Jewellery	3,369	8
	5.	.. Jewellery	1,020	0
	8.	.. Jewellery	115	0
	14.	.. Two pieces Keelundra	86	0
	19.	.. Twelve pairs shawls	2,283	12
	17.	.. Jewellery	494	0
	29.	.. Discount on Rupees 10,000 per contra	287	8
		.. Six and a half pairs shawls, one piece kimkhab, and one turband	1,316	7
		.. Jewellery, 23d instant, Rupees 245; 24th, Rupees 780; 28th, Rupees 240	1,265	0
Jemadee ool awul	5.	.. Cash paid Bhowanee Singh, &c.	38	0
	9.	.. Interest to end of Rubbee ool awul	89,128	8
		.. Cash paid sepoys	24	0
		.. Hukeem Shufaee Khan, *on order*	6,000	0
		.. Puthroobee	356	4
	11.	.. Jewellery	415	0
	16.	.. Five pairs shawls and one piece kimkhab	982	8
	19.	.. Cash paid sepoys of Pondicherry battalion	30	0
	18.	.. Jewellery	700	0
	29.	.. Cash paid Kadir Sahib Dúknee, with interest to this date	1,139	0
		.. Profit and loss	1	8¾
	30.	.. Two pairs shawls	161	0
		.. Three and a half pairs shawls, 10th Suffer last	579	8
		Carried forward - Rupees	11,06,242	10¾

Cr.

H. 1231.— F. 1225:			Hyderabad Rupees.	A.
		Brought forward	4,72,961	3¾
Rumzaun	12.	By transfer of cash advanced sepoys with Ahmud Ali	100	8
	25.	.. Ruffaat-ool Moolk, receipts on account of tunkha	86,293	0
		.. Rajah Govind Buksh, on account tunkha on following dates:		
		22. Rujeb last, Rupees 4,000 0		
		22. Shabaun - - 2,000 0		
		24. Shabaun - - 500 0		
		25. Shabaun - - 800 0		
		28. Shabaun - - 2,700 0		
		25. Rumzaun - - 800 0		
		26. Rumzaun - - 1,200 0		
		22. Rumzaun - - 2,000 0		
		28. Rumzaun - - 2,000 0		
			16,000	0
		Carried forward - Rupees	5,75,354	11¾

[Account A.—Folio 6.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr.

H. 1231 :— F. 1225.			Hyderabad Rupees.	A.
		Brought forward - -	11,06,242	10¾
Jemadee oo sanee....	6.	To Cash paid Bhowanee Singh Naig -	38	0
	2. ..	Jewellery - - - - - -	2,475	0
	8. ..	Hukeem Shufaee Khan on draft -	1,000	0
	11. ..	One and a half pair shawls - - -	131	0
	14. ..	Jewellery - - - - - -	3,240	0
	22. ..	Cash paid for a double-branched shade -	40	0
	17. ..	One pair shawls - - - -	98	0
	22. ..	Jewellery - - - - - -	2,100	0
	24. ..	Four dooputtas and sixteen kimkhabs	5,792	0
	28. ..	One pair shawls - - - -	140	0
Rujeb.....	1. ..	Jewellery - - - - - -	920	0
	7. ..	Jewellery - - - - - -	600	0
	10. ..	Four shawls - - - - -	183	12
	11. ..	Jewellery - - - - - -	562	8
	12. ..	Four pairs shawls - - - -	755	12
	13. ..	Two camels, one pair bullocks, and one Rut with a pair of bullocks - -	1,100	0
	16. ..	Jewellery - - - - - -	1,260	0
	14. ..	One furd shawls - - - -	43	12
	20. ..	Two pairs shawls - - - -	185	0
	21. ..	Two pairs shawls - - - -	160	0
	22. ..	Jewellery - - - - - -	315	10
	26. ..	One pair shawls - - - -	88	12
	28. ..	Jewellery - - - - - -	3,629	9
	29. ..	Jewellery - - - - - -	4,900	0
Shabaun.....	1. ..	Jewellery - - - - - -	1,465	0
	7. ..	Cash paid Bhowanee Singh - -	76	0
	12. ..	Discount on bill for Rupees 14,000 on Jumna Dos - - - - -	350	0
	.. ..	Two pair shawls - - - -	176	0
	19. ..	Mr. Rae, draft for girandoles, &c. -	2,424	8
	20. ..	Jewellery - - - - - -	1,520	0
	21. ..	Jewellery - - - - - -	635	0
	24. ..	Three pairs shawls - - - -	245	0
	27. ..	Jewellery - - - - - -	730	0
Rumzaun ..	5. ..	Cash paid guard with Meer Ahmud Ali	100	0
	8. ..	Cash paid Bhowanee Singh - - -	38	0
	12. ..	Profit and Loss Interest on Rupees 100 paid to sepoys - - - -	0	8
	13 ..	Jewellery - - - - - -	875	0
	19. ..	Feed of camels - - - - -	93	0
	20. ..	Captain Outlaw for a tent - - -	600	0
	21. ..	One pair shawls - - - -	175	0
	16. ..	Jewellery - - - - - -	200	0
	30. ..	Cash paid on your note - - -	2,000	0
	.. ..	One pair shawls and a turband - -	201	8
	.. ..	Charges on Rupees 16,000 received from Govind Buksh - - - -	253	12
	.. ..	Puthroobee - - - - -	356	4
	.. ..	Rungum - - - - - -	90	0
	.. ..	Mookut Ram - - - - -	20,533	5¼
	.. ..	Bal Chund *Mukhtulwala* — *Balances due on the Rajah's responsibility and transferred per Dust Khutee Bund.*	27,166	11
	.. ..	Yoosoof Ali Khan — *Balances due on the Rajah's responsibility and transferred per Dust Khutee Bund.*	18,502	1¾
	.. ..	Hyder Ali Teerundaj — *Balances due on the Rajah's responsibility and transferred per Dust Khutee Bund.*	3,015	13
	.. ..	Gummur ood Hubshee — *Balances due on the Rajah's responsibility and transferred per Dust Khutee Bund.*	1,500	0
	.. ..	Ballia Folidor — *Balances due on the Rajah's responsibility and transferred per Dust Khutee Bund.*	15,000	0
	.. ..	Ghoolam Hussian Moortezza, &c. — *Balances due on the Rajah's responsibility and transferred per Dust Khutee Bund.*	12,607	3
	.. ..	Interest to this date - - -	78,572	0
		Rupees	13,25,592	15¾

Cr.

H. 1231 :— F. 1225.			Hyderabad Rupees.	A.
Rumzaun ..	30	By amount from folio 5. - - -	5,75,354	11¾
		By balance - - - - - -	7,50,238	4
		Rupees	13,25,592	15¾

(Signed) WM. PALMER and Co.

[Account A.—Folio 7.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr.

H. 1231 :— F. 1226.			Hyderabad Rupees.	A.
Shuwaul	4.	To balance—Brought forward	7,50,238	4
		.. Discount and charges on bills for 10,000 rupees	256	4
	2.	.. Jewellery	575	0
	7.	.. Draft in favour of Soobhan Khan	7,000	0
	4.	.. Discount on sums amounting to 2,000 rupees per contra	56	4
	13.	.. Cash paid Bhowanee Singh	38	0
	9.	.. Mr. William Palmer, for F. 1,225	24,000	0
		.. Mr. William Palmer, for Sepoys, for F. 1,225	3,840	0
		.. Mr. Hastings Palmer, for F. 1,225	12,000	0
		.. Mr. Richard Palmer, for F. 1,225	7,200	0
		.. Sooltan Hoossain Khan, for F. 1,225.	9,066	10
		.. Muhmood Naig Khan, including allowance for an elephant, for F. 1,225.	9,060	0
		.. Mr. R. H. Fenwick, for F. 1,225	3,600	0
		.. Seyed Hussain Sahib, for F. 1,225	2,745	0
		.. Soofee Sahib, for F. 1,225	3,067	8
		.. Suwars, for F. 1,225	10,736	10
		.. Meer Khoorsheid Ali, for F. 1,225	306	0
	13.	.. Jewellery	70	0
	17.	.. One and a half pair shawls and twenty-one pieces handkerchiefs	518	0
	19.	.. Three pairs shawls	440	0
	15.	.. Jewellery	230	0
	19.	.. Jewellery	425	0
	20.	.. Jewellery	1,885	0
	27.	.. Two pairs shawls	425	0
	23.	.. Jewellery	4,900	0
	24.	.. Jewellery	1,305	0
	29.	.. Two pairs shawls	475	0
		.. Twenty-eight pieces kimkhabs	5,140	0
		.. Jewellery	550	0
Zeekaud....	8.	.. Cash paid Ghoolam Mohee-ood Deen.	38	0
	2.	.. Jewellery	493	0
	8.	.. Jewellery	4,100	0
	7.	.. Jewellery	583	5
	4.	.. Ten pieces kimkhabs	2,790	0
	14.	.. Thirty-three and a half pairs shawls, three dooputtas, twenty pieces kimkhabs, forty-two pieces selabs, and one hundred and two turbands	12,051	12
	12.	.. Two pairs shawls and four pieces selahs	501	4
	16.	.. Three pairs shawls and one piece muslin	687	0
	17.	.. Three pairs one furd shawls, and two pieces kimkhabs	876	0
	19.	.. One pair shawls	196	0
	20.	.. Four and a half pairs shawls	740	8
	17.	.. Five bored emeralds	93	0
	26.	.. One pair shawls and one turband	79	0
	29.	.. Three and a half pairs shawls	510	0
	23.	.. A sirpaunch	70	0
Zeehijj	5.	.. Cash paid present to Ragison Dos	100	0
	6.	.. Cash paid Ghoolam Mohee-ood Deen.	38	0
	8.	.. Two pairs shawls	263	0
	3.	.. Two hundred and seventy-seven pearls and six-pearl tusbuks	1,232	2
	11.	.. Two sirpainches and one jeegah	500	0
	9.	.. One pair shawls	190	0
	11.	.. One pair shawls	175	0
		Carried forward - Rupees	8,86,455	7

Cr.

H. 1231 :— F. 1226.			Hyderabad Rupees.	A.
Shuwaul	1.	By Kurar Noaj Khan	2,000	0
	4.	.. Rajah Govind Buksh, 4th Rs. 800, 5th Rs. 700, and 7th Rs. 500	2,000	0
Zeekaud....	21.	.. Raee Nanuck Ram, 1st kist of tunkha on Moduck	15,000	0
		.. Raee Bal Chund on account tunkha, due 1st Zeehijj	21,000	0
Zeehijj	12.	.. Ushruff ood Dowlah, in part of second kist of a tunkha	1,666	10½
H. 1232.				
Mohurrum...	1.	.. Usbruff ood Dowlah, on account of second kist	5,000	0
	27.	.. Raee Bal Chund, on account tunkha, due 18th Suffer	40,100	0
		.. Raee Nanuck Ram, 16th Zeekaud, Rs. 1,000, and 16th Zeehijj Rs. 22,000	23,000	0
Suffer.....	16.	.. Raee Nanuck Ram, kist due this day.	22,000	0
		.. Rajah Govind Buksh, 22d Shuwaul last, Rs.4,000, 22d Zeekaud, Rs.4,000, 23d Zeekaud, Rs. 500, 26th Zeekaud, Rs. 700, and 2d Zeehijj, Rs. 800	10,000	0
		.. Raee Nanuck Ram, 16th Mohurrum, Rs. 22,000; 16th Rubbee ool awul, Rs. 22,000	44,000	0
		.. Ruffaat-ool Moolk, two kists of a tunkha, due 30th Suffer, Rs. 84,362, and 30th Rubbee oo sanee, Rs.84,362	1,68,724	0
Rubbee oo sanee	10.	Ruffaat-ool Moolk, fourth kist of a tunkha, F. 1225	92,988	5½
	20.	.. Ruffaat-ool Moolk, on account tunkha	0	12
Jemadee ool awul	14.	Ushruff ood Dowlah in full of tunkha, for F. 1225	6,666	11
Jemadee oo sanee	16.	Raee Nanuck Ram, kist due 16th Rubbee oo sanee last	22,000	0
Rujeb	17.	.. Raee Nanuck Ram, kist due 16th Jemadee ool awul last	22,000	0
	12.	.. Raee Bal Chund, 12th, Rs. 35,000, 14th, Rs. 7,000, 16th, Rs. 8,000	50,000	0
Shabaun....	2.	.. Ruffaat-ool Moolk, on account third kist of tunkha, due 1st Rumzaun	84,362	6
	12.	.. Raee Bal Chund, 12th, Rs. 18,000, 16th, Rs. 22,000, and 18th Rs. 10,000	50,000	0
		.. Raee Nanuck Ram Kist, due 16th Jemadee oo sanee last	22,000	0
Rumzaun ...	4.	.. Raee Bal Chund Kist, due 23d instant	26,907	9
	28.	.. Ruffaat-ool Moolk, 11th Rubbee oo sanee last	1,025	0
		.. Ushruff-ood Dowlah, 29th Jemadee oo sanee last	4,000	0
		.. Raee Nanuck Ram, 16th Rujeb, Rs.22,000, 16th Shabaun, Rs.22,000, 16th Rumzaun, Rs. 18,000	62,000	0
		Carried to Folio 11 -	7,98,341	6

[Account A.—Folio 8.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.

HYDERABAD.

Dr.

H. 1231 :— F. 1226.			Hyderabad Rupees.	A.
		Brought forward -	8,86,455	7
Zeehijj.....	16.	To a pair of camels - - - - -	600	0
	14.	.. A sirpainch and doogoloojee - -	965	0
	26.	.. Three pairs shawls - - - -	525	0
	23.	.. Five pairs shawls and one kimkhab -	968	0
	24.	.. Three pairs shawls, four pieces kimkhabs, eight selahs, and two pairs turbands - - - - - -	1,554	0
	29.	.. Three and a half pairs shawls - -	580	0
	26.	.. Seven pearls, one pair ditto with a bored yacoot, one ring and two chillics for a nouruttun - - - - -	1,065	13
	29.	.. Two hars, ten sirpainches, and two jeegas - - - - - - -	2,848	0
	25.	.. One pair shawls - - - - -	200	0
H. 1232: Moburrum ..	5.	.. Two and a half pairs shawls - -	350	5
	3.	.. Ten maunds candles - - -	330	0
	13.	.. Two sirputtas, four sirpainches, one furd bhoojbund, and one jeega -	1,656	0
	18.	.. Seven pairs shawls - - - -	1,004	8
	20.	.. One chumpakullee, one pair bajoobunds, and one pair dustbunds -	10,240	0
		.. Four pairs shawls - - - - -	599	1
	26.	.. Cash paid for feed of elephants and camels - - - - - - - -	674	14¼
	27.	.. One toora, three hars, one sirpainch, one bhoojbund, two pairs dustbunds, one jeega, one pair poonchees, one pair kurrumphool, and one pair diamond kungun - - - - - -	6,309	0
		.. One furd shawl, 7th Zeekaud last -	60	0
		.. Five pairs two furd shawls, and nine turbands, on 29th ultimo, and five turbands less charged in sale of ninety-six turbands, on 14th Zeekaud last -	843	10
	27.	.. Three lustres and twenty-four shades.	5,378	0
	29.	.. Two and a half pairs shawls - -	362	8
	8.	.. Three hundred and forty diamonds, four hundred and seventy-five tookrauj, one hundred and fifty-nine yacoots, sixty-three emeralds, thirteen sabres, and fifty Ferojehs - -	10,086	14
	30.	.. One girputtee, one sirpainch, and one pair dustbunds - - - - -	959	0
Suffer	3.	.. Ten diamonds and five pearls - -	274	5
	2.	.. Five pairs shawls, eleven candlesticks, four pair globe lamps, and four pairs pillar-shades - - - - - -	1,927	5
	9.	.. Cash paid Ghoolam Mohee-ood Deen.	76	0
	11.	.. One pair one furd shawls, and one piece kimkhabs - - - - -	523	0
	12.	.. Two pairs shawls - - - - -	390	0
	14.	.. One har - - - - - -	600	0
	19.	.. Four and a half pairs shawls - -	559	0
	22.	.. Major Kelly for a tent - - -	500	0
		.. One pair shawls - - - - -	145	0
	23	.. Discount on 10,000 rupees from Rajah Govind Bukah - - - - -	300	0
		.. Paid Rungum for six months - -	90	0
	30.	.. One poonchee, one sirpainch, one har, one pair bajoobunds, and one bhoojbund - - - - - - - -	3,921	0
Rubbee ool awul.	6.	.. One pair shawls - - - - -	200	0
	10.	.. Cash paid Mohee-ood Deen Naig -	38	0
	8.	.. Forty-three and a half maunds candles	1,427	4
Rubbee oo sanee ...	10.	.. One pair shawls and four pieces jamdany	403	8
	3.	.. Ruff at-ool Moolk, interest on a draft for 50,000 rupees - -	3,587	10
	10.	.. Two pairs shawls, on 10th ultimo -	550	0
		.. Four pairs shawls, on 13th ultimo -	845	0
		.. One pair shawls, on 14th ultimo -	325	0
		.. One pair shawls, on 17th ultimo -	395	0
		.. Four pairs shawls and eleven selas, on 19th *ultimo* - - - - - -	1,262	8
		.. Two pieces jamdany, two pieces rungjeeb and six pieces selas, on 20th ultimo - - - - - - -	310	0
		.. Cash paid Bhowanee Singh - -	38	0
		Carried forward -	9,53,302	8½

Cr.

H. 1232 :— F. 1225.		Hyderabad Rupees.	A.
	Brought forward -	7,98,341	6
	Carried forward -	7,98,341	6

(Signed) WM. PALMER and Co.

[Account A.—Folio 9.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr.

H. 1232: F. 1226.			Hyderabad Rupees.	A.
		Brought forward	9,53,302	8¼
Rubbee co sance	..	To one sirpainch, one kunthee and one jeega, on 8th Rubbee ool awul	1,482	0
	..	One sirpainch, on 9th Rubbee ool awul	80	0
	..	A har and one pair dustbunds, on 12th Rubbee ool awul	955	0
	..	One har, one torah, one pair bhoojbunds, and one sirputta, on 14th Rubbee ool awul	3,109	0
	..	One toorah, two sirpainches, and one sirputta, on 18th Rubbee ool awul	2,156	8
	..	Two toorahs, two pairs bhoojbunds, three pairs dustbunds, one har and one sirputta, on 19th Rubbee ool awul	8,220	0
	..	One chumpakullee, two pairs bhoojbunds, two pairs dustbunds, two surputtas, three hars and one kuntha, on 20th Rubbee ool awul	11,785	0
	..	One sirpainch, and one pair nowruttuns, on 21st Rubbee ool awul	814	0
	..	One sirpainch, and one har, on 22d Rubbee ool awul	700	0
	..	One sirpainch, on 23d Rubbee ool awul	118	0
	..	Six sirputtas, two toorahs, two kunthas, one tuddock, three pairs bhoojbunds, two jeegahs, six hars and a chand of a ditto, and two pairs dustbunds, on 24th Rubbee ool awul	28,513	0
	..	Two sirputtas, one har, and a sirpainch, on 25th Rubbee ool awul	3,657	0
	..	One sirpainch, on 26th Rubbee ool awul	100	0
	..	Four tolas pearls, 380 diamonds, one pair bhoojbunds and one moonga, on 27th Rubbee ool awul	7,367	0
	..	One sirpainch, on 6th Rubbee ool awul	300	0
Rubbee co sanee	16. ..	Dunnea Jung, draft dated 10th instant due in two months	1,800	0
	4. ..	One pair shawls	90	0
	7. ..	Three pairs one furd shawls	614	12
	11. ..	One pair shawls	110	0
	17. ..	Two pairs one furd shawls	227	0
	18. ..	One pair shawls	81	0
	20. ..	One pair shawls and error in charge of a jumdany	150	0
	22. ..	One furd shawl	40	0
	24. ..	Two pairs shawls	171	0
	1. ..	One sirputta, one har, one sirpainch, and one pair dustbunds	2,490	0
	8. ..	One tola gold wire and a chand of a har	146	0
	12. ..	One sirpainch	365	0
	19. ..	One pair dustbunds	450	0
	20. ..	A sirpainch and jeegah	464	0
	29. ..	A sirpainch	80	0
	30. ..	A sirpainch	103	0
Jemadee ool awul	6. ..	Cash paid Ghoolam Mohee-ood Deen	38	0
	..	Twenty-four pieces kimkhabs	7,244	0
Jemadee ool awul	21. ..	Bill on Sham Dos and Oodhe Chund for pay of the Johnsons in part	1,286	6
	..	Payment in full to the Johnsons	5	10
	1. ..	One shawl	91	0
	4. ..	One furd shawl	44	8
	6. ..	One pair shawls, 18 pieces Europe muslins, and nine yards ten geerahs Europe chintz	968	1¼
	8. ..	Two large lustres, and four double branched pillar shades	3,800	0
	9. ..	One pair shawls	95	0
	12. ..	One pair shawls	94	0
	13. ..	One pair shawls	250	0
	19. ..	One pair shawls	275	0
	20. ..	One furd shawl	46	0
Jemadee co sanee.	4. ..	Cash paid Ghoolam Mohee-ood Deen	38	0
	16. ..	Seven camels	2,100	0
	20. ..	Mr. G. Rumbold, three months' allowance to this date	3,000	0
		One sirpainch, on 3d ultimo	240	0
	..	One sirpainch, one bhoojbund, and one jeegah	797	8
		Carried forward — Rupees	10,50,473	13½

Cr.

H. 1232: F. 1225.		Hyderabad Rupees.	A.
	Brought forward	7,98,311	0
	Carried forward	7,98,341	0

[Account A.—Folio 10.]

RAJAH CHUNDOO LOLL, *in Account Current with* MESSRS. WILLIAM PALMER and Co.

HYDERABAD.

Cr.

			Hyderabad Rupees.	A.
H. 1232 :— F. 1226.		Brought forward -	10,50,473	13½
Jemadee oo sanee		To one bhoojbund, two sirpainches, one pair dustbunds, one har, and two jeegahs, on 16th ultimo - - -	1,825	8
		.. One pair phoonchees, on 18th ultimo	1,500	0
		.. One jeegah and one sirpainch, on 19th ultimo - - - - - - -	531	0
		.. One sirpainch, on 20th ultimo - -	250	0
		.. One pair dustbunds, on 21st ultimo -	190	0
		.. One sirpainch, one har, and one pair dustbunds, on 23d ultimo - -	561	0
		.. Deficiency in charge of a surputta, sold 20th Rubbee ool awul for Rupees 1,300 - - - - - -	100	0
		.. One bhoojbund, one sirpainch, and one emerald, on 24th ultimo - - -	520	0
Jemadee oo sanee	18.	One pair dustbunds and twenty-eight emeralds - - - - -	5,665	0
	1.	.. Fifty pieces selahs - - - - -	832	0
	16.	.. Three and a half pairs shawls - -	307	8
	19.	.. One shawl - - - - - -	40	8
	20.	.. Two pairs and two shawls - -	352	0
	22.	.. One shawl - - - - - -	64	0
Rujeb.....	2.	.. Cash paid, Ram Deen's allowance -	38	0
	20.	.. Cash paid for a camel - - -	300	0
		.. One sirpainch, on 8th ultimo - -	89	0
		.. One sirpainch and a bhoojbund, on 12th ultimo - - - - - -	443	0
		.. One har and thirty-seven yacoots, on 16th ultimo - - - - -	736	8
		.. One sirpainch, on 19th ultimo - -	91	0
		.. One sirpainch and a bhoojbund, on 21st ultimo - - - - - -	146	0
		.. One pair dustbunds, on 28th ultimo -	125	0
		.. Five tullas goolal, on 11th Rubbee oo sanee - - - - - - -	375	0
		.. One pair shawls, on 28th Jemadee oo sanee - - - - - - -	84	0
Rujeb.....	3.	.. One shawl - - - - - -	44	8
	7.	.. One shawl - - - - - -	46	8
	14.	.. One pair shawls - - - - -	85	0
	16.	.. One pair shawls - - - - -	86	0
	17.	.. One pair shawls - - - - -	91	0
	20.	.. One pair shawls - - - - -	96	0
	24.	.. Two pairs shawls - - - - -	238	0
	2.	.. One tola of pearls and one har - -	273	0
	3.	.. Two hars and a jeegah - - -	697	0
	4.	.. A har and one bhoojbund - -	1,180	0
	6.	.. Two hars, two surputtas, and one pair dustbunds - - - - - -	4,120	0
	15.	.. One bhoojbund - - - - -	65	0
	21.	.. Two hars, one surputta, and one sirpainch - - - - - - - -	1,906	0
	23.	.. One bhoojbund - - - -	280	0
	24.	.. Two sirpainches, one har, and one jeegah - - - - - - -	883	0
	28.	.. One sirpainch - - - - -	75	0
	29.	.. One sirpainch - - - - -	85	0
Shabaun....	2.	.. Cash paid Ram Deen's allowance -	38	0
		.. Interest to 1st Rubbee oo sanee last	81,338	7¼
Less realized on the Rajah's drafts on them, being on his own security, and discounted by us.		.. Suree Naig Rao Inkujee, transferred balance of his account, closed with interest to 1st Rubbee oo sanee -	60,722	2½
		.. Rajah Roop Lal for Rupees 16,000, with interest to above date - -	18,869	5¼
		.. Rajah Rayenna, transferred his account closed with interest to above date -	24,597	5
		.. Hubeeboollah Jummadar, transferred his account closed with interest to above date - - - - - -	12,029	3
		.. Veer Guneish Rao, transferred his account closed with interest to above date - - - - - - -	18,982	10¾
		.. Sekunda Koole Khan, transferred his account closed with interest to above date - - - - - -	3,408	0
		.. Hukeem Shuffaee Khan, transferred six months' tunkha to above date, *per order* - - - - - -	3,000	0
		.. Puthroobee, *per order* - - -	356	4
		Carried forward - Rupees	12,99,232	3¼

Cr.

		Hyderabad Rupees.	A.
H. 1232 :— F. 1225.	Brought forward - - -	7,98,311	6
	Carried forward - Rupees	7,98,311	6

(Signed) Wm. Palmer and Co.

[Account A.—Folio 11.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.

HYDERABAD.

Dr.

H. 1232 :— F. 1226.		Hyderabad Rupees.	A.
	Brought forward -	12,99,232	3¼
Shabaun	To Kummer-ood Deen Khan, transferred his account closed, with interest to 1st Rubbee oo sanee - - - -	71,940	4
	.. Mr. R. Fenwick for timber, 12th Jemadee ool awul - - - - -	300	0
	.. Mr. R. Fenwick for timber, 1st Jemadee oo sanee - - - - -	10,586	0
10.	.. Mr. J. Ralph Draft 26th June, in his favour' - - - - - -	5,893	0
15.	.. Hurjeemul and Luckmun Doss, on account tunkha, due end of Zeekaud -	22,507	0
	.. Jumna Doss, on account tunkha, due end of Zeekaud - - - - -	22,493	0
	.. Raee Deep Chund, on account tunkha, due end of Zeekaud - - -	5,000	0
1.	.. One lustre, three pairs wall-shades, and one pair and one furd shawls -	1,933	8
2.	.. One pair shawls - - - - -	165	0
3.	.. Three pairs shawls - - - - -	466	0
5.	.. Three and a half pairs shawls - -	581	8
6.	.. One pair shawls - - - - -	245	0
11.	.. One pair shawls - - - - -	330	0
12.	.. One and a half pair shawls - -	195	8
13.	.. One pair shawls - - - - -	86	0
14.	.. One pair shawls - - - - -	206	0
18.	.. One furd shawl - - - - -	45	8
20.	.. One pair shawls - - - - -	172	0
Rumzaun ...4.	.. Cash paid Ramdeen Havildar - -	38	0
	.. One bhoojbund, on 3d ultimo - -	135	0
	.. Two sirputtas, on 11th ultimo - -	2,471	0
	.. One sirpainch, on 16th ultimo -	266	0
	.. One sirpainch, on 17th ultimo -	264	0
	.. Two sirpainches, on 18th ultimo -	180	0
	.. One sirpainch, on 23d ultimo - -	250	0
	.. One sirpainch and one jeegah, on 26th ultimo - - - - - -	537	0
Rumzaun... 20.	.. Mr. G. Rumbold, three months' allowance - - - - - -	3,000	0
1.	.. One pair shawls - - - - -	85	0
8.	.. One pair shawls - - - - -	125	0
14.	.. One pair shawls - - - - -	89	0
17.	.. Two pair shawls - - - - -	340	0
18.	.. Four pier-glasses and two lustres -	9,850	0
21.	.. A set of tables - - - - -	230	0
22.	.. Four pairs shawls - - - - -	535	0
30.	.. Yenkut Rao and Eshwin Row, *per order* - - - - - - -	10,000	0
	.. Rungum's allowance - - -	90	0
	.. Interest to this date at two per cent. per month - - - - - -	83,835	12½
	.. Luchmee Nur Singh Row, his account closed *on the Rajah's security* - -	204	2¼
	.. Old concern for transfer of your debit.	53,701	3¾
	Rupees	16,08,603	9¾

Cr.

H. 1232 :— F. 1226.		Hyderabad Rupees.	A.
Rumzaun ..30.	By brought forward - - -	7,98,341	6
	By balance - - - - - -	8,10,262	3¾
	Rupees	16,08,603	9¾

(Signed) W. PALMER and Co.

[Account A.—Folio 12.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and CO. *HYDERABAD.*

Dr.

H. 1232.— F. 1227:			Hyderabad Rupees.	A.
Shuwaul	1.	To Balance brought forward	8,10,262	3¾
	2. ..	Cash paid Ram Deen Havildar	38	0
	4. ..	Pensions of two sons of Major Johnstone, from 4th Jemadee ool awul last to this date at three hundred and thirty-four rupees	1,615	0
	4. ..	One pair shawls	160	0
	6. ..	Two pairs one furd shawls	225	0
	7. ..	Two pairs shawls	110	0
	8. ..	Three pairs shawls	685	0
	19. ..	Three and a half pairs shawls	343	8
	27. ..	Twenty-one pairs shawls and twenty-seven pieces kimkhabs	9,895	0
Zeekaud	2. ..	Mr. G. Rumbold, paid his allowance 20th ultimo	1,000	0
	4. ..	Cash paid Ram Deen Havildar	38	0
	4. ..	One sirpainch and a har	556	0
	7. ..	One kunta	2,350	0
	11. ..	One bhoojbund, one toorah, one har, and eighty-one pearls	1,475	0
	15. ..	Two sirpainches, one pair dustbunds, one ring, ten emerald pendants, and one pair bhoojbunds	2,855	8
	22. ..	One pair dustbunds	125	0
	..	One pair bhoojbunds, and one pair bajoobunds, on 1st Shuwaul	501	0
	..	Four sirputtas, one toorah, eight pairs dustbunds, ten hars, fifteen sirpainches, five jeegahs, and forty-seven pearls, on 3d Shuwaul	19,882	8
	..	One sirpainch, one bhoojbund, one jeegah, two pearls and one sirputta, on 6th Shuwaul	3,046	8
	..	Ten sirputtas, ten hars, three pairs bhoojbunds, one pair bajoobunds, seven pairs dustbunds, five sirpainches, and five jeegahs, on 8th Shuwaul	36,485	0
	..	One sirpainch, on 15th Shuwaul	80	0
	..	One sirpainch and one jeegah, on 19th Shuwaul	181	0
	..	One sirpainch, on 22d Shuwaul	80	0
	..	One sirpainch, on 29th Shuwaul	80	0
Zeekaud	30. ..	Mr. G. Rumbold's allowance	1,000	0
Zeehijj	1. ..	Hujaree Mul and Deena Nath transfer, 16 Moohurrum next *on draft*	25,000	0
	..	Two pairs shawls, on 13th Zeekaud	190	0
	..	Five and a half pairs shawls on 25th Zeekaud	453	8
	..	Forty pieces selahs, on 26th Zeekaud	680	0
	..	One pair shawls, on 28th Zeekaud	85	0
	..	Two pairs shawls, on 29th Zeekaud	231	0
Zeehijj	4. ..	Mr. James Johnstone paid allowance from 4 Moohurrum to 4 Zeehijj H. 1232	1,765	8
	..	Messrs. John and Benj. Johnstone, allowance for two months to 4th Zeehijj H. 1232	646	0
	..	One sirpainch and one jeegah, on 16th Zeekaud	257	0
	..	One sirpainch and one jeegah, on 18th Zeekaud	376	0
	..	Four sirputtas, two hars, one pair bhoojbunds, one pair dustbunds, and two sirpainches, on 9th Zeekaud	9,962	0
	..	Forty-three pearls added to a har, on 19th Zeekaud	156	0
	..	One bar, one sirpainch, and one pair dustbunds, on 24th Zeekaud	965	0
	..	Two sirpainches, on 28th Zeekaud	190	0
	..	Mr. William Palmer paid his allowance for F. 1226, 14th Shuwaul	24,000	0
	..	Mr. William Palmer paid his allowance for sepoys for F. 1226, 14th Shuwaul	3,840	0
	..	Mr. Hastings Palmer paid his allowance for F. 1226, 14th Shuwaul	12,000	0
	..	Mr. Robert Palmer paid his allowance for F. 1226, 14th Shuwaul	7,200	0
	..	Mr. R. H. Fenwick paid his allowance for F. 1226, 14th Shuwaul	3,600	0
	..	Seyud Hussain Sahib paid his allowance for F. 1226, 14th Shuwaul	2,745	0
	..	Soofee Sahib paid his allowance for F. 1226, 14th Shuwaul	3,285	0
	..	Rehmut Ali Khan paid his allowance for F. 1226, 14th Shuwaul	2,490	0
	..	Lushkurree Khan paid his allowance for F. 1226, 14th Shuwaul	595	0
	..	Mirza Nuwab paid his allowance for F. 1226, 14th Shuwaul	705	0
	..	Muhummud Salah ood Deen paid his allowance for F. 1226, 14th Shuwaul	1,245	0
	..	Oodhan Sing paid his allowance for F. 1226, 14th Shuwaul	1,353	9
		Carried forward - Rupees	9,97,376	12¾

Cr.

H. 1232.— F. 1227:			Hyderabad Rupees.	A.
Shuwaul ..	16	Ry Racc Nanuck Ram, received on following dates:		
		16th Rumzaun last, Rupees 4,000 0		
		16th Instant - - - 14,000 0		
			18,000	0
	21. ..	Ushruff ood Dowlah in part payment of Tunkha	11,032	0
Zeekaud....	20. ..	Raee Bal Chund, three bills on Tapee Dos and Khooshal Dos	25,000	0
	23. ..	Raee Bal Chund received on following dates:		
		14th Zeehijj - - Rupees 7,700 0		
		20th Zeehijj - - - 30,392 7		
		21st Zeehijj - - - 10,000 0		
			48,092	7
	27. ..	Ragoba Naick Kotekul on following dates:		
		21st Instant - - Rupees 7000 0		
		23d Instant - - - 8,000 0		
		25th Instant - - - 10,000 0		
			25,000	0
H. 1233.				
Mohurrum..	3. ..	Ruffaat-ool Moolk, received amount draft due this date	50,000	0
	27. ..	Munsoor-ood Dowlah transferred on bond due in five months	25,000	0
	16. ..	Interest on Chittee for 25,000 Rupees	666	10¾
	..	Ruffaat-ool Moolk, transfer on account draft due 17th Suffer next	82,000	0
Mohurrum	27. ..	Interest overdrawn on Chittee for 25,000 Rupees, *per draft this date*	433	5
	..	Veer Guneish Rao, transfers of following dates received from Ragoba Naick Kotekul:		
		15th Suffer next - Rupees 12,000 0		
		17th Suffer next - - 13,000 0		
			25,000	0
Mohurrum..	19. ..	Ruffaat-ool Moolk, draft on us due 20th proximo	2,362	6
Rubbee oo sanee....	23.	Ruffaat-ool Moolk returned Hoondee on Bal Mokund Lollijee	1,715	0
	..	Interest returned	40	0
Jemadee ool awul	1.	Neyaj Beg Khan returned our draft not paid	14,400	0
	..	Race Bal Chund, transfer 6th Rubbee ool awul last, *per draft*	7,691	6
Jemadee ool awul	10.	Ushruff-ood Dowlah received in full of Tunkha for F. 1226	4,968	0
	11. ..	Cash received from sepoys of Ismael Khan	49	0
	..	Ameer Noag Khan, transferred from 12th Jemadee oo sanee, on draft of Kurar Noag Khan	14,700	0
	..	Ruffaat-ool Moolk, transferred his draft on us on account his second kist in full for F. 1227 due 26th Jemadee oo sanee next	22,402	8
	..	Ruffaat-ool Moolk, returned Hoondie on Bal Mokund Lollijee, error	~~1,815~~	~~6~~
Jemadee oo sanee	10. ..	Interest to this date on 50,000 Rupees	1,700	0
	..	Veer Guneish Rao, transferred a tunkha on him due		
		28th Jemadee ool awul last, Rupees 12,000 0		
		13th Instant - - - - 12,800 0		
			24,800	0
	..	Rajah Khooshal Chund transfer on account Termuck Pundit, 1st Jemadee ool awul last	4,500	0
	..	Kurar Noag Khan, transferred Draft on us due 3d Shabaun next on account tunkha	15,500	0
	..	Ushruff-ood Dowlah, transferred from 15th Jemadee ool awul, on account tunkha due that date	6,666	10¾
		Carried forward - Rupees	4,31,719	5¼

(Signed) W. PALMER and Co.

[Account A.—Folio 13.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr.

H. 1232:— F. 1227.		Hyderabad Rupees.	A.
	Brought forward -	9,97,376	12¾
Zeehijj....	To Shaik Kurreem Alli, allowance for F. 1226, 14th Shuwaul - - -	600	0
	.. Moiz ood Deen Khan, allowance for F. 1226, 14th Shuwaul - - -	146	4
	.. Muhmood Noag Khan, allowance for F. 1226, 14th Shuwaul - - -	10,065	0
	.. Sooltan Hoossain Khan, allowance for F. 1226, 14th Shuwaul - - -	11,214	0
	.. Sooltan Hoossain Khan on account of Lollijee Moonshee, allowance for F. 1226, 14th Shuwaul - - -	183	0
	.. Syaseen Khan, allowance for F. 1226, 14th Shuwaul - - - - -	765	0
	.. Seyud Kurreem Oollah, allowance for F. 1226, 14th Shuwaul - - -	645	0
	.. Seyud Mohummud, allowance for F. 1226, 14th Shuwaul - - -	465	0
	.. Sooliman Khan, allowance for F. 1226, 14th Shuwaul - - - - -	765	0
	.. Fauzil Khan, allowance for F. 1226, 14th Shuwaul - - - - -	500	0
	.. Sooltan Hoossain Khan, on account of Sheshgeeree Rao, allowance for F. 1226, 14th Shuwaul - - -	45	12
	.. Kadir Padsha, allowance for F. 1226, 14th Shuwaul - - - - -	361	0
Zeehijj.... 20.	.. Mr. G. Rumbold's allowance - -	1,000	0
	.. Puthroobee, 14th Shuwaul - -	356	4
H. 1233.	.. Hukeem Shuffaee Khan, *per order*, 14th Shuwaul - - - - -	9,000	0
Mohurrum 1.	.. Cash paid Rajesoor Dos - - -	100	0
2.	.. Three camels - - - - -	900	0
	.. Fifty pieces selahs, 15th Zeehijj - -	827	0
	.. Two pairs shawls, 17th Zeehijj - -	409	0
	.. Two pieces kimkhabs, 19th Zeehijj -	320	0
	.. One pair shawls, one piece kimkhab, and one turband, 21st Zeehijj - -	150	0
	.. Four pairs shawls, twelve pieces kimkhab, and eight pieces selahs, 22d Zeehijj -	2,509	0
	.. Four pairs shawls, one piece kimkhab, two light lustres, one pair pillar chandeliers, one pair chamber lamps, one pair three light wall shades, one pair glasses, two turbands, and eight pieces selahs, 23d Zeehijj - - -	5,633	0
	.. Two pairs shawls, 25th Zeehijj - -	405	0
	.. One pair shawls and one piece kimkhab, 28th Zeehijj - - - -	347	8
	.. One pair shawls, 29th Zeehijj - -	75	0
4.	.. Pensions to the two elder sons of Major Johnstone, for Zehijj - Rs. 323 0		
	.. Pension to Mr. James Johnstone 160 8	483	8
3.	.. Cash paid Ram Deen Havildar for two months - - - - - - -	76	0
	.. Mr. Ralph, per draft for his allowance, 22d Zeehijj - - - - - -	4,000	0
	.. Two sirpainches, 1st Zeehijj - - -	310	0
	.. One sirpainch, 5th Zeehijj - - -	86	0
	.. Three hars, eight sirpainches, and one bored emerald, 6th Zeehijj - -	1,770	0
	.. One pair bajoobunds, one pair dustbunds, and one chumpakullee, 8th Zeehijj -	850	0
	.. One sirpainch, one jeega, one har, and one pair dustbunds, 9th Zeehijj -	1,855	0
	.. One sirpainch, one sutludda, two pairs dustbunds, one and a half pair bhoojbunds, one bored emerald, 137 diamonds, and one pair pearl soomrans, 15th Zeehijj - - - - - -	3,394	9
	.. One jeegah and one pair dustbunds, 20th Zeehijj - - - - -	453	0
	.. One sirputta, one pair bhoojbunds, and one teeka, 21st Zeehijj - - -	2,032	0
	.. One sirpainch, 23d Zeehijj - -	350	0
	.. One furd bhoojbund and one pearl, 28th Zeehijj - - - - - - -	189	0
	.. One sirpainch, 29th Zeehijj - -	88	0
	.. 319 pearls (147 of them in a soomrun) and one pair poonches, 15th Zeehijj -	3,113	12
27.	.. Interest on Chittee for Rupees 25,000, due 20th Zeehijj last - - -	666	10¾
23.	.. Cash paid Chumun Loll Mootasuddee, *cancelled per contra* - - - -	433	5
27.	.. Twenty-five pairs shawls, five pieces kimkhabs, eighty-two pieces selahs and turbands - - - - - -	4,586	12
28.	.. Cash paid Rungum's allowance to end of Mohurrum - - - - -	60	0
	.. Cash paid advance to sepoys - -	26	0
	Carried forward - Rupees	10,74,987	1½

Cr.

H. 1233:— F. 1277.		Hyderabad Rupees.	A.
	Brought forward -	4,31,719	5¼
	Carried forward - Rupees	4,31,719	5¼

[Account A.—Folio 14.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.

Dr. *HYDERABAD.* *Cr.*

H. 1233 :— F. 1227.			Hyderabad Rupees.	A.
		Brought forward -	10,74,987	1½
Mohurrum . 20.		To Mr. G. Rumbold's allowance - -	1,000	0
	..	Khojodeh Mean, draft on us, dated 27th Mohurrum, at four months -	2,000	0
Suffer .....4.	..	Pensions of the Johnstones to this day, two, Rs. 161. 8. each: and one Rs. 160. 8 - - - - - -	483	8
	..	Cash paid Ram Deen Havildar -	38	0
	..	One har, one sirpainch, and one pearl, 1st Mohurrum - - - -	910	0
	..	One har, 12th Mohurrum - -	178	0
	..	One har, one serpainch, and one pearl, 22d Mohurrum - - - -	712	0
	..	One jeega, one serpainch, one bhoojbund, one har, one pair dustbunds, and eighty pearls, 26th Mohurrum -	2,126	0
	..	Seven diamonds, 28th Mohurrum -	144	6
	..	Five and a half pairs shawls and six pieces kimkhabs, 19th Zeehijj - -	1,429	0
	..	One pair shawls, 3d Mohurrum -	120	8
	..	Four pieces kimkhabs, two pieces selas, and one turband, 5th Mohurrum - - - - - - -	430	0
	..	One pair shawls, and one piece kimkhab, 6th Mohurrum - - -	335	0
	..	One pair shawls, 8th Mohurrum -	80	0
	..	Two pairs shawls, 12th Mohurrum -	240	0
	..	Twenty pieces. Punjam cloth, 13th Mohurrum - - - - -	270	0
	..	One pair shawls, 15th Mohurrum -	175	0
	..	One pair shawls, 22d Mohurrum -	115	0
	..	Five pairs shawls, two pieces kimkhabs, and two pieces selahs, 24th Mohurrum - - - - - -	1,387	8
Suffer.....1.	..	One pair shawls - - - -	215	0
2.	...	Ten pairs shawls - - - -	1,315	8
20.	..	Mr. G. Rumbold's allowance - -	1,000	0
12.	..	Two pieces kimkhabs - - -	224	0
Rubbee ool awul 3.	..	Cash paid Ramdeen Havildar - -	38	0
4.	..	Pensions of the Johnstones - -	483	8
	..	One sirpainch, one jeegah, one har, one pair dustbunds, and seventy-nine pearls, 2d Suffer - - - -	1,414	0
	..	Two sirpainches, 19th Suffer - -	228	0
Rubbee ool awul. 1.	..	Mr. Charles French - - -	37,697	0
20.	..	Mr. G. Rumbold's allowance - -	1,000	0
22.	..	Two six-light and five four-light lustres, twenty-five bundles of wicks, forty tubes, thirteen globes, and eight looking-glasses - - - -	22,502	0
Rubbee oo sanee .... 4.	..	Pensions of the Johnstones - -	483	8
5.	..	Cash paid Jumal Mohummud - -	44	0
	..	Two pieces kimkhabs, four pieces duputtas, and twenty selahs, on 29th ultimo - - - - - -	3,203	0
	..	Purchase of diamonds, per account particular, 29th Mohurrum - -	3,147	4
	..	Three massas of yacoot, 29th Mohurrum - - - - - -	15	0
	..	Two sirpainches and one pearl, on 19th Rubbee ool awul - - -	191	0
Rubbee oo sanee ... 20.	..	Mr. G. Rumbold's allowance - -	1,000	0
14.	..	Ruee Boochurmull, paid on Chittee -	5,000	0
24.	..	Neyaz Beg Khan, draft, payable on 1st Jemadee ool awul next - -	14,400	0
29.	..	Ushruff-ood Dowlah. Two Hoondies on Manie Chund and Birdee Chund -	5,000	0
24.	..	Muhmood Noag Khan, Chittee of Delsookh Race - - - - -	1,550	0
	..	Two Hoondies in Augun Koonwur and Tej Koonwur - - - -	1,600	0
24.	..	Ibrahiem Khan Hoondie in Itta Moollya, due 3d Jemadee ool awul next.	1,000	0
	..	Ruffaat-ool Moolk, three bills on Balmookund Lallijee, due 3d instant - 1,715 0		
		Puthee Veeruppa, due 3d instant - - 125 0		
		Chinner Koomeeree, due 29th instant - 400 0		
			2,240	0
	..	Interest to Balmookund Lollijee and Puthee Veeruppa - - - -	41	4
Rubbee oo sanee ... 23.		Sooltan Khan, Hoodie of Kistnajee Gopaljee Naig, 300 rupees, with interest, thirteen annas - - -	300	13
23.	..	Cash - - - - - - -	13,025	0
25.	..	Cash - - - - - - -	35,000	0
		Carried forward	12,40,518	12½

H. 1233 :— F. 1227.		Hyderabad Rupees.	A.
	Brought forward -	4,31,719	5½
	Carried forward -	4,31,719	5½

(Signed) WM. PALMER and Co.

[Account A.—Folio 15.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.

Dr. *HYDERABAD.* *Cr.*

				Hyderabad Rupees.	A.
H. 1233 :— F. 1227.			Brought forward -	12,40,518	12½
Rubbee oo sanee	25.	To Rada Kishen Jeweller. *Cash paid to Nursoo* -		5,000	0
	26.	.. Hurree Dos Pursotum Dos. *Cash paid to Nursoo* -		15,000	0
		.. Rada Kishen Jeweller. *Cash paid to Nursoo* -		5,000	0
	26.	.. Hurree Dos Pursotum Dos—error (entered above) -		~~15,000~~	~~0~~
		.. Rada Kishen Jeweller—error (entered above) -		~~5,000~~	~~0~~
	27.	.. Hurree Dos Pursotum Dos. *Cash paid to Nursoo* -		20,000	0
		.. Hujjaree Mul Deena Nath. *Cash paid to Nursoo* -		2,000	0
	30.	.. Feed of elephants -		232	5½
	29.	.. Hurree Dos Pursotum Dos. *Cash paid to Nursoo* -		4,597	15
		.. Rajah Inkuppa Nair, Chittee of Koshun Chund, due 17th Suffer Rupees 6,300, with interest Rupees 311. 13 to 1st Jemadee ool awul next -		6,611	13
		.. Raee Bal Chund, interest on Rs. 1,15,000, due 6th Rubbee ool awul. *Cancelled per contra*, 1st Jemadee ool awul -		7,691	6
		.. Karee Moongee Yenkut Rao, transfer of 1st Jemadee ool awul next. Principal and interest in full. *Advance made on your security less realized* -		24,012	3
		.. Wulla Koonda Venkya, principal and interest to 1st Jemadee ool awul next. *Do. of draft* -		1,678	0
		.. Raee Tunnuk Pundit, principal and interest to 1st Jemadee ool awul next. *Balance due of draft* -		17,154	5½
		.. Nizam Ood Deen Khan, principal and interest to 1st Jemadee ool awul next. *Balance due of draft* -		14,347	10
		.. Bujuppa Juggurnath, principal and interest to 1st Jemadee ool awul next. *Balance due of draft* -		10,096	15
		.. Raee Mookut Ram, principal and interest to 1st Jemadee ool awul next. *Transferred balance on your security* -		11,780	0
		.. Mohummud Kijja Khan, principal and interest to 1st Jemadee ool awul next. *Transferred balance on your security* -		6,206	11
		.. Interest on Chittee of Ruffaat-ool Moolk for Rupees 50,000, *over due on the Rajah's security*, 3d Moburrum -		3,100	0
		.. Raee Nanuck Ram, interest not charged on Chittee, *on advance to Raee Nanuck Ram on the Rajah's security*, 1st Jemadee ool awul -		1,000	13
Rubbee oo sanee	2.	.. Muhmood Noag Khan, for carpets, &c.		352	8
	3.	.. Four pairs kimkhabs -		75	0
	13.	.. One pair shawls -		175	0
	15.	.. One pair shawls -		185	0
	21.	.. One pair shawls -		210	0
	24.	.. Three pairs selahs -		48	0
	25.	.. One pair shawls -		175	0
	30.	.. Hurree Dos Pursotum Dos. *Cash paid to Nursoo* -		3,500	0
Jemadee ool awul	1.	Dyaram Surroop Chund Mukhur. *Cash paid to Nursoo* -		8,500	0
		.. Hurree Dos Pursotum Dos. *Cash paid to Nursoo* -		2,400	0
	1.	.. Kuramut Khan. *Transferred on the Rajah's security* -		2,130	11
		.. Seyed Abdool Ruyman Arab. *Transferred on the Rajah's security* -		3,673	8
		.. Two and a half pairs shawls, on 30th Rubbee oo sanee -		216	0
	4.	.. Pensions of the Johnstones -		483	8
	6.	.. Cash paid Jumal Mohumud Havildar		44	0
		.. One pair dustbunds, 17th Rubbee oo sanee		320	0
		.. One emerald, 22d Rubbee oo sanee -		848	0
		.. One sirputta, two pairs dustbunds and one har, 25th Rubbee oo sanee -		2,257	5½
	25.	.. Seventy-seven pearls -		74	10½
		.. Rajah Roop Lal, 6th Rubbee oo sanee last. *Paid per order* -		10,000	0
	16.	.. Cash paid Nursoo, *per order* -		2,925	0
	17.	.. Cash paid on Kurar Noag Khan's chittee for Rupees 15,000 in part -		12,025	0
	20.	.. Mr. G. Rumbold's allowance -		1,000	0
	20.	.. Hurree Dos Pursotum Dos. *Cash paid to Nursoo* -		30,000	0
	21.	.. Dyaram Surroop Chund Mukhur. *Our draft on them paid to Nursoo* -		5,000	0
		.. Muhmood Noaj Khan. Draft of Koop Chund Teekun Dos, *for Cash paid to Nursoo* -		2,000	0
		.. Paid Nursoo. *Cash paid him* -		19,000	0
	23.	.. Hurree Dos Pursotum Dos. *Cash paid to Nursoo* -		15,000	0
	25.	.. Khojodeh Mean, draft on Govind Naig due 20th instant, Rupees 1,000, with interest 3. 5¼ -		1,003	5¼

	Hyderabad Rupees.	A.
H. 1233 :— F. 1227. Brought forward -	4,31,719	½

[Account A.—Folio 16.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr.

H. 1233 : — F. 1227.			Hyderabad Rupees.	A.
		Brought forward -	15,27,050	5¾
Jemadee ool awul	25.	To Cash paid Nursoo - - - -	14,600	0
	27.	.. Cash paid Nursoo - - - -	16,500	0
	28.	.. Cash paid Nursoo - - - -	4,000	0
		.. One pearl kuntee, 23d ultimo - -	2,000	0
	10.	.. Cash paid guard of sepoys - - -	76	0
	2.	.. One coach, eleven chairs, three figures, two footstools, and two marble slabs and glasses - - - - - -	4,305	0
	9.	.. Seventy-five pieces lenos, eight pieces satin gauze, thirty-three Europe carpets, and four pieces green gauze -	4,086	0
	19.	.. Three horses, twenty-two pieces kimkhabs, and five dooputtas - -	9,505	4
	28.	.. Cash paid Nursoo - - - -	8,000	0
	29.	.. Cash paid Sooltan Hoossain Khan -	1,500	0
	20.	.. Raee Bal Chund, *interest on Chittee for Rupees 50,000 to 10th Jemadee oo sanee* - - - - - -	1,700	0
	29.	.. Cash paid Nursoo - - - -	5,000	0
	30.	.. Cash paid Chumbal Dos *for 118 pearls, ch. 1,234, 4 at 10½* - - - -	12,959	10
Jemadee oo sanee		.. Six tolas of goolal on 5th ultimo -	570	0
		.. One and a half pair shawls, on 6th Jemadee ool awul - - - -	164	0
		.. One pair shawls, on 7th Jemadee ool awul	81	0
		.. One pair shawls, on 9th Jemadee ool awul	225	0
		.. One pair shawls, on 12th Jemadee ool awul	210	0
		.. Five pairs shawls, on 16th Jemadee ool awul - - - - - - -	966	0
		.. One furd shawl and four selahs, on 18th Jemadee ool awul - - - -	119	0
		.. One pair shawls, on 23d Jemadee ool awul	140	0
		.. One pair shawls, on 25th Jemadee ool awul	210	0
		.. Six pieces selahs, on 29th Jemadee ool awul - - - - - - -	111	0
		.. One shawl, on 30th Jemadee ool awul	39	0
	1.	.. Rajah Inkuppa Nair, Chittee of Hurbajee Gomashta, *per order* - - -	6,300	0
	2.	.. Cash paid Nursoo, *per order* - -	4,000	0
	5.	.. Cash paid Nursoo, *per order* - -	7,200	0
		.. One sirpainch, one jeega, and two pearls, on 4th Jemadee ool awul - -	392	0
		.. One sirputta, one har, and seventy-seven pearls, on 5th Jemadee ool awul -	1,064	0
		.. One sirpainch and one pearl, on 12th Jemadee ool awul - - -	196	0
		.. One bhoojbund and one pearl, on 11th Jemadee ool awul - - - -	205	0
		.. Four bhoojbunds, one pair dustbunds, one singade and tungde, one sutludda and four pearls, on 16th Jemadee ool awul - - - - -	2,893	0
		.. A har, one pair dustbunds, and seventy-seven pearls, on 19th Jemadee ool awul	1,173	0
		.. A pair dustbunds, on 20th Jemadee ool awul - - - - -	355	0
		.. 591 diamonds, on 24th Jemadee ool awul	8,317	0
		.. One bhoojbund and one pearl, on 28th Jemadee ool awul - -	200	0
	8.	.. Cash paid sepoys - -	44	0
		.. Mrs. Finglass, transfer of 1st Rujeb next. *The Rajah's draft on Seetul Dos in her favour not paid* -	7,586	0
	6.	.. Cash paid Nursoo - - -	6,300	0
	11.	.. Cash paid Nursoo - - -	12,024	0
	12.	.. Cash paid Nursoo - -	9,676	0
	8.	.. Six elephants - - -	14,000	0
	16.	.. Cash paid Nursoo - - -	5,000	0
		.. Cash paid your sepoys, from 1st Shuwaul last to 22d Rubbee oo sanee -	347	1
		.. Muhmood Nuaj Khan. *Payments to Zyan ool Moolk* - - - -	1,061	2
		Rajah Roop Loll, second monthly payments due on 31st Jemadee ool awul and 30th instant, *his pay* - -	1,600	0
	22.	.. Raee Nanuck Ram, our draft on him -	18,000	0
		.. Jumna Dos, two drafts, 1st Jemadee ool awul :— On Kharee Moongee Yenkut Ram - Rupees 14,450 9 / On Bhukaree Dos 2,376 0	16,826	9
	16.	.. Cash paid Nursoo - - - -	14,100	0
	20.	.. Cash paid Nursoo - - - -	3,000	0
		Carried forward - Rupees	17,55,916	15¾

Cr.

H. 1223 : — F. 1227.		Hyderabad Rupees.	A.
	Brought forward -	4,31,719	5¼
	Carried forward - Rupees	4,31,719	5¼

(Signed) WM. PALMER and Co.

[Account A.—Folio 17.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr.

			Hyderabad Rupees.	A.
H. 1223 :— F. 1227.		Brought forward -	17,55,916	15¾
Jemadee oo sanee	..	To interest to 1st Rubbee oo sanee - -	92,634	9¾
	..	Hukeem Shufface Khan, to 1st Rubbee oo sanee, per order - - - -	3,000	0
	..	Puthroobee, to 1st Rubbee oo sanee, *per order* - - - - - -	356	4
	..	Rungum, in full to 1st Rubbee oo sanee	30	0
	20. ..	Dyaram Surroop Chund Mukker, our draft on them - - - -	1,000	0
	21. ..	Mohummud Ram and Biurabin. *Paid through Nursoo* - - - - -	6,000	0
	..	Raee Nanuck Ram, draft due 1st Rujeb next - - - - - - -	16,589	11¼
	25. ..	Subscription for Chumunbee - -	1,000	0
	17. ..	Three diamonds - - - -	2,000	0
	4. ..	Pensions of the Johnstones - - -	483	8
	20. ..	Mr. G. Rumbold's allowance - -	1,000	0
Rujeb....	4. ..	Pensions of the Johnstones - - -	483	8
	20. ..	Mr. G. Rumbold's allowance - -	1,000	0
	5. ..	Resident's treasury, paid your draft on us on account deficiency of pay of Boochurmull's Resala, Rs. 12,374. 11; with one and a quarter premium, Rs. 154 11 A. - - - - -	12,529	6
	6. ..	Cash paid guard - - - - -	44	0
	..	One and a half pair shawls, on 6th ultimo - - - - - - -	121	0
	..	Two pairs shawls, on 8th ultimo - -	159	0
	..	One furd shawl, on 12th ultimo - -	40	0
	..	One pair shawls, on 13th ultimo - -	125	0
	..	One furd shawl, on 16th ultimo - -	39	0
	..	One furd shawl, on 23d ultimo - -	40	8
	10. ..	Eighty-three lamps, seven five-light lustres, two marble slabs, seven flower and one cut-glass vases, and one chamber shade - - - -	6,882	0
		Rupees	19,01,474	6¾

Cr.

			Hyderabad Rupees.	A
H. 1233 :— F. 1227.				
Jemadee oo sanee	29.	By amount brought from Folio 12 -	4,31,719	5¼
	..	Balance - - - - - -	14,69,755	1½
		Rupees	19,01,474	6¾

(Signed) WM. PALMER and Co.

[Account A.—Folio 18.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr.

H. 1233.— F. 1227:			Hyderabad Rupees.	A.
Rujeb..	10.	To balance brought forward	14,69,755	1½
	..	Two sirpainches and two pearls, 12th Jemadee oo sanee	311	0
	.	Eleven bored emeralds, 18th Jemadee oo sanee	644	8½
	..	One sirpainch and one pearl, 27th Jemadee oo sanee	110	0
Rujeb..	10.	.. A diamond ring	11,000	0
	15.	.. Three elephants	10,000	0
	24.	.. Cash paid Raee Munsa Ram, *on draft*	40	0
	22.	.. Mr. James Ralph, five months' allowance to end of Jemadee oo sanee	4,000	0
	24.	.. Cash paid Fyz Oollah on note	260	0
	22.	.. Major Hopkinson for a tent	500	0
	2.	.. One bhoojbund and one pearl	200	0
	3.	.. One sirpainch, thirty-eight ferojehs, and one pearl	452	0
	5.	.. One sirpainch, one har, one pair dustbunds, and one pearl	1,021	0
	6.	.. One sirputta	1,251	0
	7.	.. Ninety emeralds, and twelve bored emeralds	7,402	6
	9.	.. One sirputta, and one har	2,475	0
	10.	.. One tola, four massas gold wire	16	0
	11.	.. Three hundred and sixty diamonds, one emerald, and twelve bored emeralds	6,841	0
	12.	.. One bhoojbund and one pearl	186	0
	14.	.. One sirpainch and one jeegah, and two pearls	340	0
	19.	.. One sirpainch	72	0
	23.	.. One sirpainch, one jeegah, one bhoojbund, and two pearls	598	0
	24.	.. One sirputta, one har, 698 yacoots, 120 ferogehs,, 141 neelums, and 103 emeralds	3,629	15
Shabaun	4.	.. Captain A. Cumming for five elephants	12,000	0
	5.	.. Khooshal Doss, for a hoondie on Jumna Doss, *Aurungabad* for 25,000 Rupees, with *exchange two per cent*	25,500	0
	9	.. Cash paid guard	41	0
	..	One pair shawls, and three pieces selahs, on 2d and 4th ultimo	138	0
Shabaun	4.	.. Pensions of the Johnstones	483	8
	20.	.. Mr. G. Rumbold's Allowance for Rujeb	1,000	0
	12.	.. Cash paid on account of a draught of Kurar Noag Khan for 13,000 Rupees due in two months	1,270	0
	..	Cash paid Moonsa Ram's allowance for this month in advance, Rupees 39. 8. with discount eight annas	40	0
	9	. One five light lustre, one pair five-light chandeliers, three pairs double-light chandeliers, three pairs three-light girandoles, one pair two light lustres, four tin salvers, four space branches, thirty four burners, two oil pots, one pair double-branch lights, one pair three lights do., six glasses, and six looking glasses	10,150	
	1.	.. Meer Hydait Ali, balance of his account closed, *on his note*	12,911	4
	20.	. Cash paid in draft of Kurar Noag Khan, for 13,000 Rupees, 5,000 with discount 431 Rupees to 10th Shuwaul next	5,431	0
	22.	.. Payment in full of above draft	6,319	0
	1.	.. Rajah Roop Loll's allowance for Rujeb, *monthly payment*	500	0
Rumzaun	3.	.. Cash paid guard	14	0
	..	Baker Ali Loll Merza transferred per note, 27th Shabaun	9,000	0
	.	One pair shawls, four pieces kimkhabs, and four pieces selahs on 2d Shabaun	1,607	0
	..	Two pieces kimkhabs and six pieces selahs, on 5th Shabaun	653	0
	..	Six pieces selahs, on 9th Shabaun	108	0
	..	One piece kimkhab, on 12th Shabaun	250	0
	..	A mirror, on 19th Shabaun	4 000	0
		Three hars, and one pair dustbunds, one sirputta, and one sirpainch, on 3d Shabaun	4,635	0
		Four Hars, one pair dustbunds, two sirpainches, one sirputta, on 3d Shabaun	6,061	0
	.	One sirpainch, on 4th Shabaun	56	0
		Three sirputtas, two pairs dustbunds, two pairs bhoojbunds, one pair kunguns, one chumpakullee, one teeka, one seersseeree, one sutludda, one arsee, one har, six chullies, one kurrumphool, one pair poonches, one chand, one tooroog, one gooloobund, one pair unwut two rings, and one pearl, on 5th Shabaun	13,148	8
		Carried forward Rupees	16,37,458	0

Cr.

H. 1233.— F. 1227.			Hyderabad Rupees	A.
Rujeb ..	21.	By Sums received on account half of a draft of Rajah Rajundur, due 21st Rujeb	10,320	0
	23.	.. Sums received on account half of a draft of Rajah Rajundur, due 21st Rujeb	8,000	0
	1.	.. Mrs. Finglass, error in entry of this date	20	0
	24.	.. Cash received on account draft Rajah Rajundur, due 21st Rujeb	2,750	0
	28.	.. Transfer of Rajah Rajundar	5,000	
Shabaun	2.	. Cash received on account draft of Rajah Rajundur, due 21st Rujeb	5,000	0
	9.	.. Cash received on account draft of Rajah Rajundur, due 21st Rujeb	2,000	0
	12	.. Cash received on account draft of Rajah Rajundur, due 21st Rujeb	1,975	0
	13.	.. Transfer on account draft of Rajah Rajundur, due 21st Rujeb	1,025	0
		. Kurar Noag Khan, draft dated 30th Rujeb last, due 10th Shuwaul	13,000	0
		.. Received from Raee Nanuck Ram, for kist of a tunkha, due 15th Rubbee oo awul last	17,706	7
Shabaun	26.	.. Received on account draft of Rajah Rajundur, due 21st Rujeb	14,775	0
Rumzaun	1.	.. *Kurar Noag Khan's* draft on us	2,000	0
	6.	.. Manie Chund Mooltan Chund, on account Rajah Rajundur	225	0
	..	Sums received in bills on the following:		
		Firmunna Naig, due 30th instant, Rupees 4,000 0		
		Ragoba Kotekul, due 9th Shuwaul next 15,000 0		
			19,000	0
Rumzaun	20.	.. Received part of a draft on Bhugwunt Rao and Jye Ram, due 21st Rumzaun	9,000	0
	21.	.. Received on account draft of Rajah Rejundar, due 21st Rujeb	1,000	0
	24.	. Hoondie of Veer Gurneish Rao on Firmunna Naig	6,000	0
	..	Draft of Ruffaat-ool Moolk, due 27th Shuwaul next	91,951	4
		Transfer of draft paid by us for 12,374 Rupees, with transfer 154. 11, entry, 5th Rujeb last	12,529	6
		Sums received from Raee Bal Chund	1,38,263	12
		Carried forward Rupees	3,70,540	13

(Signed) WM. PALMER and Co.

[Account A.—Folio 19.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr.

H. 1233.— F. 1227:		Hyderabad Rupees.	A.
	Brought forward	16,37,458	0
Rumzaun	To One har, three sirpainches, and three pearls, on 6th Shabaun	716	0
	.. Four sirpainches, and one pearl, on 10th Shabaun	431	0
	.. Two sirpainches and one pearl, on 11th Shabaun	192	0
	.. One sirpainch, on 13th Shabaun	89	0
	.. One bhoojbund and one pearl, on 20th Shabaun	273	0
	.. Eighty bored emeralds, one sirputta, one toorah, one pair dustbunds, two sirpainches, one pearl, one puddok, and thirteen emerald pendants, on 21st Shabaun	5,667	12
	.. One har, four pairs dustbunds, six sirpainches, and four pearls, on 22d Shabaun	1,244	10
	.. One jeegah, and one sirpainch, on 23d Shabaun	248	0
	.. One pair dustbunds, on 24th Shabaun	395	0
	.. One pair dustbunds, on 25th Shabaun	875	0
	.. Three hundred and thirty-nine yacoots, two hundred and twelve emeralds, and three bored emeralds, on 28th Shabaun	780	2
	.. One pair dustbunds, on 29th Shabaun	750	0
Rumzaun 4.	.. Pensions of the Johnstones for Shabaun	483	8
20.	.. Mr. G. Rumbold's allowance for Shabaun	1,000	0
1.	.. Rajah Roop Loll's allowance for Shabaun	800	0
24.	.. Major Cumming for an elephant	2,200	0
29.	.. Seyed Ali Akber, paid draft on us	400	0
19.	.. Four lustres, fifteen globe lamps, two six-light lustres, two street and two Grecian lamps	6,965	0
26.	.. Eleven pairs shawls, ten pairs jamdannies, and four pieces kimkhabs	6,176	0
4.	.. One sirpainch and one pearl	110	0
5.	.. One jeegah and one sirpainch	220	0
7.	.. One har	137	0
10.	.. One sirpainch, one pair dustbunds, and one ring	368	0
15.	.. One sirpainch	375	0
19.	.. Ninety-seven diamonds	1,407½	13
22.	.. One har and one puddok	365	0
24.	.. One sirpainch	61	0
30.	.. Interest on account closed to this day	1,50,467	11
	.. Rungum's allowance	90	0
	.. Feed of elephants, *to Aurungabad*	797	7¼
	.. Two sirpainches, one pair dustbunds, and one pearl, on 25th instant omitted above	980	0
	Rupees	18,22,523	2¾

Cr.

H. 1233.— F. 1227:		Hyderabad Rupees.	A.
Rumzaun 30.	By Amount brought forward	3,70,540	13
	.. Balance	14,51,982	5¾
	Rupees	18,22,523	2¾

(Signed) WM. PALMER and Co.

[Account A.—Folio 20.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and CO.

HYDERABAD.

Dr.

H. 1233 :— F. 1228.			Hyderabad Rupees.	A.
Shuwaul ..	2.	To balance brought forward - -	14,51,982	5¾
		.. Cash paid Raee Munsa Ram for Rumzaun	40	0
	7.	.. Cash paid guard - - - - -	44	0
	4.	.. Pensions of the Johnstones for last month	483	8
	1.	.. Rajah Roop Loll's monthly allowance -	800	0
	20.	.. Mr. G. Rumbold's allowance - -	1,000	0
	30.	.. Cash paid Race Munsa Ram for Shuwaul	40	0
	7.	.. Four pieces selahs and one turband -	76	0
	24.	.. Twenty pieces Punjam cloth - -	290	0
Zeekaud ..		.. One sirpainch and one pearl, on 3d ult.	69	0
		.. One sirpainch and one pearl, on 5th ult.	81	0
		.. One sirpainch, one har, and one pearl, on 15th ultimo - - - - -	338	0
		.. One sirpainch, one jeegah, and two pearls, on 18th ultimo - - -	223	0
		.. One sirputta, on 23d ultimo - -	1,000	0
		.. One sirpainch and one pearl, on 25th ult.	184	0
		.. One sirpainch and one yacoot, on 28th ult.	750	0
Zeekaud ..	2.	.. Cash paid guard - - - - -	44	0
	1.	.. Rajah Roop Loll's allowance - -	800	0
	4.	.. Pensions of the Johnstones - - -	483	8
	20.	.. Mr. G. Rumbold's allowance - -	1,000	0
	28.	.. Feed of elephants and camels, and a guard	84	0
Zeehijj	3.	.. Cash paid, Raee Munsa Ram's allowance, Rupees 40, and guard, Rs. 44 -	84	0
		.. Twenty-three and a half yards red cloth, seventy-eight yards fourteen gerahs puttoo, three Europe carpets, four selahs, and one turband, 1st ultimo -	1,060	0
		.. One eight-light lustre, eleven pairs chamber shades, one pair vases, and five bottles vinegar, 4th ultimo - -	2,485	0
		.. One piece kimkhab, and thirty pieces selahs, 8th ultimo - - - - -	760	0
		.. Six pieces selahs and two turbands, 20th ultimo - - - - -	114	12
		.. Thirty-nine pairs shawls, 29th ultimo -	9,005	0
	4.	.. Pensions of the Johnstones for last month	483	8
Zechijj	1.	.. Rajah Roop Loll's allowance - -	800	0
		.. Forty-four pearls and one sirpainch, on 1st Zeekaud - - - - -	147	0
		.. One har and one sirpainch, on 4th Zeekaud - - - - -	462	0
		.. One har, on 6th Zeekaud - - -	250	0
		.. Six sirputtas, one piece dustbunds, three hars, three sirpainches, one pair bhoojbunds, and one ruby pendant, on 8th Zeekaud - - - - -	12,157	0
		.. One sirputta and one har, on 13th Zeekaud	1,025	0
		.. One sirputta, on 15th Zeekaud - -	765	0
		.. One har, on 24th Zeekaud - - -	562	0
		.. One sirpainch and one pearl, on 27th Zeekaud - - - - - -	61	0
		.. One sirputta, four sirpainches, three hars, and one pearl, on 29th Zeekaud -	4,451	0
	15.	.. Three rings, two neelums, and two meducks; four diamonds, two sabres -	10,228	0
	20.	.. Mr. G. Rumbold's allowance for Zeekaud	1,000	0
H. 1234.				
Mohurrum	2.	.. Cash paid Munsa Ram's allowance -	40	0
	4.	.. Cash paid guard - - - - -	44	0
		.. Pensions of the Johnstones for Zechijj -	483	8
	1.	.. Rajah Roop Loll for Zechijj - -	800	0
		.. Five pairs shawls, ninety pieces selahs, and twenty-five turbands, on 4th Zechijj	2,717	0
		.. Twenty-seven pairs shawls and six pieces selahs, on 6th Zechijj - - -	4,983	8
		.. Seven pairs shawls, on 7th Zechijj -	1,051	0
		.. Two pairs shawls, on 10th Zechijj -	287	0
		.. Two pairs shawls and one kimkhab, on 12th Zechijj - - - - -	337	0
		.. Three pairs shawls, on 13th Zechijj -	515	0
		.. One pair shawls and sixty pieces selahs, on 14th Zechijj - - - - -	1,294	0
		.. One pair shawls, on 15th Zechijj - -	125	0
		.. Five pairs shawls and three lustres, on 16th Zechijj - - - - -	4,094	0
		Carried forward - Rupees	15,22,183	9¾

Cr.

H. 1233 :— F. 1228.			Hyderabad Rupees.	A.
Shuwaul ..	8.	By received kist of a tunkha on Raee Nanuck Rao, due 16th Rumzaun - - -	17,706	7
	1.	.. Kurar Noag Khan's draft on account Oomnabad collections for Rumzaun -	2,000	0
	23.	.. Sums received on account draft of Rajah Rajundar - - - - - -	25,000	0
Zeekaud..	15.	.. Transfer of kist of a tunkha of Ushruff ood Dowlah, due this day - -	6,666	10½
	26.	.. Cash received on account draft of Rajah Rajundur - - - - -	525	0
	27.	.. Sums received on account draft of Rajah Rajundur - - - - -	4,475	0
Zeehijj	2.	.. Sums received on account draft of Rajah Rajundur - - - - -	4,945	0
	7.	.. Kurar Noag Khan's draft on us, dated 7th Zeehijj - - - - -	2,000	0
	22.	.. Received on account draft of Rajah Rajundur - - - - -	4,000	0
		.. Received Kurar Noag Khan's draft, due 1st Zeekaud - - - - -	2,000	0
Mohurrum	1.	.. Received on account draft of Rajah Rajundur, due 21st Rujeb - -	4,000	0
	2.	.. Received on account draft of Rajah Rajundur, due 21st Rujeb - -	7,000	0
		.. Transfer 7th Suffer next, in full of the last kist of a tunkha on Raffaat-ool Moolk - - - - - -	89,663	4
	11.	.. Kurar Noag Khan's draft for Oomnabad	2,000	0
	13.	.. Interest on Rajah Rajundur's draft, received and credited on various dates	2,444	5
Suffer	1.	.. Kurar Noag Khan's draft for Oomnabad	2,000	0
	20.	.. Received kist of a tunkha of Kurar Noag Khan - - - - - -	8,000	0
	20.	.. Received two kists of a tunkha on Raee Nanuck Ram :— Due 16th Zeekaud last Rs. 17,660 12 Due 16th Zeehijj - 17,660 12	35,321	8
Rubbee ool awul	—	Received third and fourth kists of a tunkha on Raee Nanuck Ram :— Due 16th Mohurrum Rs. 17,660 12 Due 16th instant - 17,660 12	35,321	8
	6.	.. Kurar Noag Khan's draft for Oomnabad	2,000	0
		.. Items included in sum of Rs. 1520. 3¾, 29th Shuwaul - - - - -	232	9¼
		.. Your sepoys' account, transferred amount at your debit - - - - -	347	1
		.. Sums received from Raee Bal Chund on account of tunkha :— 2d instant - Rs. 10,000 0 18th instant - 40,000 0	50,000	0
Rubbee oo sance ..	1.	.. Kurar Noag Khan's draft for Oomnabad	2,000	0
		.. Received fifth kist of tunkha on Raee Nanuck Ram, due 16th ultimo - -	17,660	12
		.. Received first kist of a tunkha on Ruffaat-ool Moolk, 30th Rubbee ool awul -	1,25,000	0
		.. Received last kist of a tunkha on Ushruff ood Dowlah, 15th ultimo - - -	6,666	11
	16.	.. Received sixth kist of a tunkha on Raee Nanuck Ram - - - - -	17,660	12
	28.	.. Received from Raee Bal Chund in full of tunkha on him for F. 1227 - -	11,736	4
		.. Received first kist of a tunkha on Kurar Noag Khan, 30th Mohurrum - -	35,125	0
Jemadee ool awul	6.	Received first kist of a tunkha on Moosa Khan - - - - - -	5,000	0
	7.	.. Kurar Noag Khan's draft for Oomnabad allowance for Rubbee oo Sance -	2,000	0
		.. Sums received on account tunkhas on Raee Nanuck Ram :— 1st Rubbee ool awul, on account first kist - - Rs. 92,300 0 15th instant, seventh kist 17,660 12	1,09,960	12
		.. Received second kist of tunkha on Ruffaat-ool Moolk, due 17th proximo -	1,20,193	8
	25.	.. Cash returned from advance for feed of elephants - - - - -	16	3
Jemadee oo sance	—	Received first kist of a tunkha on Mokkum Jung :— 26th Rubbee ool awul Rs. 12,000 0 30th Rubbee oo sance - 4,750 0	16,750	0
	15.	.. Received eighth kist of tunkha on Raee Nanuck Ram - - - - -	17,660	12
	17.	.. Kurar Noag Khan's draft for Jemadee ool awul on account Oomnabad -	2,000	0
Rujeb	1.	.. Kurar Noag Khan's draft for Oomnabad	2,000	0
	7.	.. Received second kist of a tunkha on Kurar Noag Khan - - -	35,125	0
	15.	.. Received ninth kist of a tunkha on Raee Nanuck Ram - -	17,660	12½
		Carried forward - Rupees	8,51,861	11

[Account A.—Folio 21.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr.

H. 1234 : — F. 1228.		Hyderabad Rupees.	A.
	Brought forward -	15,22,483	9¾
Mohurrum —	To six pairs shawls and two pieces selahs, on 17th Zeehijj - - - - - -	924	12
	.. Three pairs shawls, on 18th Zeehijj -	363	0
	.. Thirty-three pieces of selahs, 19th Zeehijj	528	0
	.. One pair shawls, 20th Zeehijj - -	150	0
	.. Two pairs shawls, 21st Zeehijj - -	182	0
	.. One pair shawls, 22d Zeehijj - -	150	0
	.. Two pairs shawls, 23d Zeehijj - -	400	0
	.. Three pairs shawls, 25th Zeehijj - -	465	0
	.. One pair shawls, 27th Zeehijj - -	80	0
	.. Twelve pieces kimkhabs, 29th Zeehijj -	1,694	0
18.	.. Hukeem Shuffaee Khan, transferred on note	6,000	0
20.	.. Mr. G. Rumbold's allowance for Zeehijj	1,000	0
	.. One sirpainch, on 2d Zeehijj - -	325	0
	.. One sirpainch, on 5th Zeehijj - -	87	8
	.. Two sirpainches and one har, 12th Zeehijj	520	0
	.. One sirpainch and one pearl, 14th Zeehijj	61	0
	.. Five diamonds, 16th Zeehijj - - -	682	8
	.. Two sirpainches, 18th Zeehijj - -	134	0
	.. One sutludda, 19th Zeehijj - - -	2,700	0
	.. One sirpainch, on 22d Zeehijj - -	350	0
	.. Two hars, one pair dustbunds, and one sirpainch, 28th Zeehijj - - -	1,771	0
	.. Mr. W. Palmer, annual allowance paid to 24th Shuwaul H. 1233 - - - -	27,840	0
	.. Mr. Hastings Palmer, annual allowance paid to 24th Shuwaul H. 1233 - -	12,000	0
	.. Mr. Robert Palmer, annual allowance paid to 24th Shuwaul H. 1233 - -	7,200	0
	.. Mr. R. H. Fenwick, annual allowance paid to 24th Shuwaul H. 1233 - -	3,600	0
	.. Sooltan Hoossain Khan, annual allowance paid to 24th Shuwaul H. 1233 -	11,600	8
	.. Suwars of Muhmood Noag Khan, annual allowance paid to 24th Shuwaul H.1233	10,425	0
	.. Kaussim Sahib, annual allowance paid to 24th Shuwaul H. 1233 - - -	1,533	5
	.. Syud Hoossain Sahib, annual allowance paid to 24th Shuwaul H. 1233 - -	2,745	0
	.. Oodhan Sing, annual allowance paid to 24th Shuwaul H. 1233 - - -	1,353	9
	.. Shaikh Kurreen Ali, annual allowance paid to 24th Shuwaul H. 1233 - -	600	0
	.. Doorga Dos Mooty, annual allowance paid to 24th Shuwaul H. 1233 - -	301	2
	.. Rehmut Ali, annual allowance paid to 24th Shuwaul H. 1233 - - -	2,790	0
	.. Mahomed Sulahood Deen, annual allowance paid to 24th Shuwaul H. 1233 -	1,245	0
	.. Soope Sahib, annual allowance paid to 24th Shuwaul H. 1233 - - -	3,285	0
	.. Lushkurree Khan, annual allowance paid to 24th Shuwaul H. 1233 - - -	585	0
	.. Moiz ood Deen Khan, annual allowance paid to 24th Shuwaul H. 1233 - -	585	0
	.. Meer Ali Mukeek, annual allowance paid to 24th Shuwaul H. 1233 - - -	51	0
	.. Moulovee Khyrood Deen, annual allowance paid to 24th Shuwaul H. 1233 -	1,460	0
	.. Yaseen Khan Suwar, annual allowance paid to 24th Shuwaul H. 1233 - -	765	0
	.. Syud Kurrum Oollah, annual allowance paid to 24th Shuwaul H. 1233 - -	645	0
	.. Soliman Khan Suwar, annual allowance paid to 24th Shuwaul H. 1233 - -	740	0
	.. Syud Muhummud, annual allowance paid to 24th Shuwaul H. 1233 - - -	465	0
	.. Kadir Padshah, annual allowance paid to 24th Shuwaul H. 1233 - - -	361	0
	.. Faugil Khan Suwar, annual allowance paid to 24th Shuwaul H. 1233 - -	525	0
	.. Mirza Nawaub, annual allowance paid to 24th Shuwaul H. 1233 - - -	660	0
	.. Hukeem Shuffaee Khan, six months' annual allowance paid to 24th Shuwaul H. 1233 - - - - - -	2,200	0
	.. Puthroobee, annual allowance paid to 24th Shuwaul H. 1233 - - -	356	4
Suffer.... 4.	.. Meer Moozuffur Ali, paid your Chittee in his favour - - - - - -	8,942	0
	.. Pensions of the Johnstones for Mohurrum	483	8
6.	.. Cash paid Ismael Muhummud - -	44	0
7.	.. Cash paid Munsa Ram's allowance -	40	0
	Carried forward - Rupees	16,46,477	9¾

Cr.

H. 1234 : — F. 1228.		Hyderabad Rupees.	A.
	Brought forward -	8,51,864	11
Shabaun ..	By sums received in account tunkha on Meer Mosse Khan :—		
	22d Jemadee oo sanee last Rs. 2,000 0		
	21st Rujeb - - 2,000 0		
	9th instant - - - 1,000 0		
		5,000	0
Shabaun.. 11.	.. Kurar Noag Khan's draft for Oomnabad	2,000	0
11.	.. Received third kist of a tunkha on Ruffaat-ool Moolk for F. 1228 - -	1,23,000	0
	.. Sums received on account two tunkhas on Raee Nanuck Ram :—		
	30th Jemadee ool awul, second kist - - Rupees 92,300 0		
	15th Shabaun, tenth kist 17,660 12		
		1,09,960	12
Rumzaun.. 9.	.. Kurar Noag Khan's draft for Oomnabad	2,000	0
15.	.. Received eleventh kist of tunkha on Raee Nanuck Ram - - - -	17,660	12
	.. Sums received on account second kist of a tunkha on Mokkum Jung :—		
	19th Rujeb last - Rs. 4,500 0		
	21st Rujeb - - 2,500 0		
	25th Rujeb - - - 8,000 0		
	20th Shabaun - - 1,750 0		
		16,750	0
29.	.. Received third kist of a tunkha on Kurar Noag Khan - - - -	35,125	0
	.. Sums received on account of a tunkha on Raee Bal Chund :—		
	11th Shabaun Rupees 40,000 0		
	12th Shabaun - 10,000 0		
	15th Rumzaun - 50,000 0		
		1,00,000	0
	.. A deduction in purchases made in Zeehijj - - - - - -	1	0
	Carried forward Rupees	12,63,362	3

[Account A.—Folio 22.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr.

H. 1234 :— F. 1228.			Hyderabad Rupees.	A
		Brought forward -	16,46,477	9¾
Suffer	7.	To Humeed-ood Dowlah paid on your Chittee - - - - - - - -	2,989	3
		.. One pair dustbunds, one sirpainch, and one har, on 13th Mohurrum - -	932	0
		.. One sirputta, one pair dustbunds, three sirpainches, and three hars, on 17th Mohurrum - - - - - - - -	5,261	0
		.. One sirpainch and one har, on 18th Mohurrum - - - - - -	690	0
		.. One sirpainch and one pair dustbunds, on 19th Mohurrum - - - -	565	0
		.. One sirpainch and one pearl, on 22d Mohurrum - - - - - -	171	0
		.. Two sirpainches, one pair dustbunds, two pairs bhoojbunds, and one toorah, on 23d Mohurrum - - - -	2,402	0
		.. Two paddoocks, on 25th Mohurrum -	470	0
Suffer	4.	.. Mr. Ralph paid draft for his allowance to end of Zehijj - - - - -	4,800	0
		.. Mr. Ralph paid per your note - -	595	0
		.. Six pieces kimkhabs, on 2d Mohurrum	627	0
		.. Three pieces kimkhabs, and one pair shawls, on 5th Mohurrum - - -	1,050	0
		.. One pair shawls, and thirty-four pieces taffeta, on 7th Mohurrum - - -	862	0
		.. One pair shawls, and three pieces kimkhabs, on 8th Mohurrum - -	422	0
		.. One pair shawls, and thirty-four pieces mushroos, on 11th Mohurrum - -	565	2
		.. One pair shawls, and one piece mushroos, on 14th Mohurrum - - -	289	0
		.. Seventy-eight pieces mushroos, on 15th Mohurrum - - - - - -	1,058	2
		.. Two and a half pairs shawls, on 16th Mohurrum - - - - - -	415	0
		.. Nine and a half pairs shawls, two pieces kimkhabs, and six pieces selahs, on 17th Mohurrum - - - -	2,259	0
		.. Two pairs shawls, on 18th Mohurrum	360	0
		.. One pair shawls, and five pieces taffeth, on 19th Mohurrum - - - -	310	0
		.. One pair shawls, one piece kimkhab, and two pieces selahs, on 20th Mohurrum	622	0
		.. Six pieces mushroos, on 21st Mohurrum	92	0
		.. One furd shawl, on 22d Mohurrum	40	0
		.. One pair shawls, on 26th Mohurrum -	175	0
		.. One pair shawls, on 27th Mohurrum -	165	0
		.. One pair shawls, on 28th Mohurrum -	210	0
Suffer.....	1.	.. Rajah Roop Loll's allowance for Mohurrum - - - - - -	800	0
	20.	.. Mr. G. Rumbold's allowance for Mohurrum - - - - - -	1,000	0
Rubbee ool awul	1.	.. Cash paid for feed of elephants - -	116	6
	4.	.. Pensions of the Johnstones for Suffer	483	8
	1.	.. Rajah Roop Loll's allowance for Suffer	800	0
	4.	.. Paid on your note to Humeed-ood Deen, Rupees 14, and to Keshree Dos Ahurnee, Rupees 325. 8. - - -	339	8
	5.	.. Cash paid guard - - -	44	0
		.. One sirputta and one har, on 2d Suffer	4,084	0
		.. One sirputta, on 3d Suffer - -	4,625	0
		.. One diamond ring and one pair Kurrumphools, on 5th Suffer - -	1,927	0
		.. Two pearls, on 7th Suffer -	153	4
		.. One sirpainch, on 10th Suffer - -	191	0
		.. Four sirpainches, and one pair bhoojbunds, on 12th Suffer - - -	2,200	0
		.. One sirpainch, on 16th Suffer - -	346	0
		.. Thirty-three pearls, on 17th Suffer -	3,646	1½
		.. Eighty emeralds, on 18th Suffer	1,748	0
		.. Three hundred and eleven diamonds, twenty-two emeralds, ten Jaulrees, twelve emerald pendants, two puddocks, gold wires, and twenty-five tolas, jewellery gold, on 19th Suffer - - - - -	9,386	4½
		.. One sirpainch, one jeega, and one pearl, on 20th Suffer - -	387	0
		.. One sirpainch, on 21st Suffer - -	137	8
		.. Twelve bored emeralds, on 23d Suffer	1,422	8
		.. Twenty-eight diamonds, on 24th Suffer	1,406	4
		.. Two sirpainches, on 25th Suffer	128	0
		.. Two sirpainches, one jeegah, one har, and one sirputta, on 29th Suffer - -	1,675	0
		.. Two sirpainches, two jeegahs, one har, one pair dustbunds, and one sirputta, on 30th Suffer - - - - -	1,393	0
		One pair shawls, on 1st Suffer - -	155	0
		Two pairs shawls, (one) on 5th Suffer	225	0
		Three pairs shawls, on 6th Suffer -	177	0
		Carried forward Rupees	17,13,670	4½

Cr.

H. 1234 :— F. 1228.		Hyderabad Rupees.	A.
	Brought forward - -	12,63,362	3
	Carried forward - Rupees	12,63,362	3

(Signed) WM. PALMER and Co

[Account A.—Folio 23.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.

HYDERABAD.

Dr.

H. 1234 :— F. 1228.			Hyderabad Rupees.	A.
		Brought forward -	17,13,670	4¾
Rubbee ool awul		To five pairs shawls, on 7th Suffer - -	265	4
		.. One pair shawls, on 8th Suffer - -	160	0
		.. Two pairs shawls and five pieces mushroos, on 11th Suffer - -	220	0
		.. One pair shawls and two pieces selahs, on 16th Suffer - - - -	339	0
		.. One pair shawls and one piece selahs, on 18th Suffer - - - -	267	0
		.. Two pairs shawls, on 23d Suffer -	428	0
		.. One shawl, on 24th Suffer - -	45	0
		.. One pair shawls, on 25th Suffer -	228	0
		.. Three pairs shawls, on 29th Suffer -	675	0
		.. Two pairs shawls, on 30th Suffer -	300	0
	8.	.. Ram Singh Chowdrie paid on your note	2,647	0
		.. Feed of elephants, paid 29th Shuwaul, *per order* - - - - - -	1,520	3¾
	18.	.. Cash paid Camel-men, Rs. 84. 6 ; Seikhs and Sepoys 60 Rs. - - - -	144	6
	20.	.. Cash paid Munsa Ram for Suffer -	40	0
		.. Mr. G. Rumbold's allowance for Suffer	1,000	0
	25.	.. Cash paid guard - - - -	194	0
	27.	.. Cash paid elephant drivers - - -	60	0
Rubbee oo sanee	1.	Rajah Roop Loll's allowance for Rubbee ool awul - - - - -	800	0
		.. Two sirpainches, one pair dustbunds, and two pearls, on 1st Rubbee ool awul	405	0
		.. Two emeralds and one ring, on 2d Rubbee ool awul - - - - -	1,134	0
		.. Two pairs dustbunds, on 6th Rubbee ool awul - - - - - -	762	0
		.. One neelum and one har, on 9th Rubbee ool awul - - - - -	441	0
		.. Two sirpainches, one har, and one pair dustbunds, on 20th Rubbee ool awul	1,026	0
		.. Sixty-one diamonds and two emeralds, on 21st Rubbee ool awul - -	1,467	3¼
		.. One sirpainch, on 23d Rubbee ool awul	175	0
		.. One sirputta, one har, and one pair dustbunds, on 24th Rubbee ool awul	1,579	0
	4.	.. Pensions of the Johnstones - -	483	8
	7.	.. Cash paid guard - - - -	44	0
	8.	.. Cash paid Munsa Ram's allowance for Rubbee ool awul - - - - -	40	0
	1.	.. Cash paid Meer Jumal-ood Deen, Rupees, 1,000 and Huzareemul Deenanath Rupees, 1,000 per your draft on us for Rupees 2,000 - - - -	2,000	0
		.. Paid your draft on us 30th ultimo, for Rupees 2,575 - - - - -	2,575	0
		.. Seven and a half pair shawls, on 2d Rubbee ool awul - - - -	1,934	0
		.. One pair shawls, on 3d Rubbee ool awul	225	0
		.. Six pairs shawls and one piece kimkhab, on 4th Rubbee ool awul - -	1,684	0
		.. One pair shawls and four pieces selahs, on 6th Rubbee ool awul - - -	224	8
		.. Two pairs shawls, on 9th Rubbee ool awul - - - - - - - -	440	0
		.. One pair shawls, on 11th Rubbee ool awul - - - - - - -	240	0
		.. One pair shawls, on 13th Rubbee ool awul - - - - - - -	228	0
		.. One pair shawls, on 16th Rubbee ool awul - - - - - - -	125	0
		.. One pair shawls, on 20th Rubbee ool awul - - - - - - -	230	0
		.. Seven pairs shawls, on 21st Rubbee ool awul - - - - - -	4,140	4
		.. Two pairs shawls, on 23d Rubbee ool awul - - - - - - -	350	0
		.. One pair shawls, on 27th Rubbee ool awul - - - - - - -	100	0
	17.	.. Cash paid feed of elephants, *per order*	101	4
	20.	.. Mr. G. Rumbold's allowance - -	1,000	0
Jemadee oo awul		.. Error in your account, 30 Rumzaun -		11½
	1.	.. Rajah Roop Loll's allowance - -	800	0
	4.	.. Pensions of the Johnstones - -	483	8
		.. Two pairs shawls, on 1st Rubbee oo sanee	331	0
		.. One pair shawls, on 2d Rubbee oo sanee	236	0
		.. One pair shawls, on 3d Rubbee oo sanee	190	0
		.. Nine pairs shawls, on 4th Rubbee oo sanee	2,045	0
		.. Five pairs shawls, on 5th Rubbee oo sanee	948	0
		.. One pair shawls, on 7th Rubbee oo sanee	175	0
		.. One pair shawls, on 8th Rubbee oo sanee	198	0
		Carried forward Rupees	17,51,624	1¼

Cr.

H. 1234 :— F. 1228.		Hyderabad Rupees.	A.
	Brought forward -	12,63,362	3
	Carried forward - Rupees	12,63,362	3

[Account A.—Folio 24.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr.

H. 1234 :— F. 1228.		Hyderabad Rupees.	A.
	Brought forward -	17,51,624	1¼
Jemadee ool awul —	To three pairs shawls, on 10th Rubbee oo sanee - - - - - -	703	0
	.. Four pairs shawls, 11th Rubbee oo sanee	171	0
	.. One pair shawls, 16th Rubbee oo sance	140	0
	.. Twenty-four pieces lenos, 22d Rubbee oo sanee - - - - - - -	990	0
	.. Two pairs shawls, 29 Rubbee oo sanee -	226	0
	.. Thirty-seven emeralds, fifteen sabres, and three sabre rings, 7th Rubbee oo sanee	2,192	3
	.. Two sirpainches and one har, 8th Rubbee oo sance - - - - - - -	766	0
	.. One sirpainch, 9th Rubbee oo sanee -	191	0
	.. One pair dustbunds and one bhoojbunds, 10th Rubbee oo sanee - - -	1,550	0
	.. One tamra, 14th Rubbee oo sanee -	40	0
	.. Thirteen diamonds, 19th Rubbee oo sanee	247	8
17.	.. Cash paid Guard - - - - -	44	0
9.	.. Seventy-one lustres and one twenty-five light lustre - - - - - -	87,480	0
17.	.. Paid your draft on us in favour Rajah Inkuppa Nair - - - - - -	9,450	0
20.	.. Cash paid Munsa Ram's allowance -	40	0
	.. Mr. G. Rumbold's allowance - -	1,000	0
2.	.. One har and one sirpainch - - -	260	0
3.	.. One sirpainch and one pearl - -	105	0
4.	.. Two sirpainches and one pearl - -	222	8
6.	.. One sirpainch - - - - - -	101	0
8.	.. One sirpainch - - - - - -	211	0
11.	.. One pair one furd bhoojbunds - -	1,330	0
12.	.. One sirpainch - - - - - -	74	0
16.	.. One bhoojbund - - - - -	380	0
26.	.. One har and one pair dustbunds - -	1,625	0
29.	.. One emerald and one bored emerald -	121	0
30.	.. Pokrauj, neelams, emeralds, and ferojehs	2,603	14
Jemadee oo sanee.	.. One pair shawls, 1st Jemadee ool awul -	265	0
	.. Two pairs shawls, 4th Jemadee ool awul.	418	0
	.. One pair shawls, 8th Jemadee ool awul	200	0
	.. One pair shawls, 16th Jemadee ool awul	143	0
	.. Forty-eight pieces kimkhabs, 19th Jemadee ool awul - - - - - -	13,036	0
	.. One pair shawls, 20th Jemadee ool awul	160	0
	.. One pair shawls, 25th Jemadee ool awul	192	0
	.. One pair shawls, 27th Jemadee ool awul	125	0
16.	.. Six dooputtas - - - - - -	1,793	0
1.	.. Rajah Roop Loll's allowance - -	800	0
4.	.. Pensions of the Johnstones - - -	483	8
7.	.. Cash paid Guard - - - - -	44	0
8.	.. Cash paid Munsa Ram's allowance for Jemadee ool awul - - - - -	40	0
20.	.. Mr. G. Rumbold's allowance for Jemadee ool awul - - - - - -	1,000	0
29.	.. Mr. James Ralph paid draft on us for his own and Moonshee's allowances -	5,100	0
	.. Thirteen looking-glasses, and six tullahs, 19¼ seers goolal - - - -	6,033	8
Rujeb .... 1.	.. Rajah Roop Loll's allowance for Jemadee oo sance - - - - - - -	800	0
4.	.. Pensions of the Johnstones for Jemadee oo sanee - - - - - - -	483	8
	.. One kuntha, one sirputta, and one pair pounchees, on 5th Jemadee oo sance -	9,350	0
	.. One segan and one sirpainch, 7th Jemadee oo sanee - - - - -	333	0
	.. One pair bhoojbunds, 15th Jemadee oo sance - - - - - - -	535	0
	.. One sirputta, 20th Jemadee oo sance -	439	0
	.. One sirputtah, 23d Jemadee oo sanee -	980	0
	.. One teeka, two pairs bhoojbunds, two kunthees, one pearl sutludda, one diamond ring, and sundries in a kunthee, 24th Jemadee oo sanee - - - -	30,672	0
	.. One sirpainch, 26th Jemadee oo sance	150	0
	.. One sirpainch, 27th Jemadee oo sance -	85	0
	.. Twelve statues, four pillars, and five marble vases, 24th Jemadee oo sance -	3,540	0
	.. One pair shawls, 6th Jemadee oo sance -	170	0
	.. One piece kimkhab, ten pieces selahs, and seven turbands, 7th Jemadee oo sance - - - - - - - -	320	0
	Carried forward -	19,41,578	10¼

Cr.

H. 1234 :— F. 1228.		Hyderabad Rupees.	A.
	Brought forward -	12,63,362	3
	Carried forward -	12,63,362	

(Signed) WM. PALMER and Co.

[Account A.—Folio 25.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr. *Cr.*

H. 1234 : — F. 1228.		Hyderabad Rupees.	A.
	Brought forward -	19,41,578	10¼
Rujeb .. —	To one pair shawls, on 8th Jemadee oo sanee	180	0
..	One pair shawls, 15th Jemadee oo sanee -	180	0
..	Two pairs shawls, 21st Jemadee oo sanee -	272	0
..	Two pairs shawls, 29th Jemadee oo sanee	376	0
..	Two hundred and thirteen yards one gireh satin cloth, thirty-five pieces lenos, and twenty-four pieces agabanee, 10th Jemadee oo sanee - - - - - -	4,288	0
9. ..	Cash paid Guard - - - - -	44	0
15. ..	Cash paid Munsa Ram's allowance -	40	0
20. ..	Mr. G. Rumbold's allowance - -	1,000	0
15. ..	Paid per your note to Hukeem Shuffaee Khan - - - - - - -	5,000	0
..	Hukeem Shuffaee Khan paid his allowance to 30th Rubbee ool awul - -	3,000	0
..	Puthrobee, paid his allowance to 30th Rubbee ool awul - - - -	356	4
..	Meer Ali Mukkee Khan, paid his allowance to 30th Rubbee ool awul - -	270	0
..	Kaussim Sahib, transferred allowances of the following to 30th Rubbee ool awul.		
On the Rajah's Dust Khuttee Dund.	Nusrut Yar Jung - - 12,000 0		
	Moolawee Khyrood Deen - 1,800 0		
	Kurreem Moonusser - - 1,200 0		
	Ghoolaum Mahomed - - 300 0		
	Ghoolaum Moonussur - - 300 0		
	Mahomed Auroff ood Deen - 180 0		
		15,780	0
..	Sooltan Hoossain Khan, allowances of:		
As above.	Yyne Ool Oobideen - - 900 0		
	Meer Khoorshied Ali - - 600 0		
		1,500	0
..	Khajeh Ujeej Khan, allowance to 30th Rubbee ool awul - - - -	600	0
..	Rungum Shroff, allowance to 30th Rubbee ool awul - - - - -	90	0
..	Hurree Dos Pursotum Dos, Dewalee present - - - - - - -	100	0
..	Rhemut Ali, feed of elephants, and twenty-eight rupees deducted from interest -	204	14
..	Interest for six months, to Rubbee ool awul - - - - - - -	1,62,877	13½
..	Interest transferred on sums received from Rajah Rujunder and excess of fifteen rupees - - - - - - -	2,459	5
..	To sundries:		
	Paid feed of elephants and sepoys, *Draft* 30th Jemadee ool awul - 840 0		
	Paid feed of camels, *Draft* 30th Jemadee ool awul - 47 14		
	Paid advance to Mr. Fursee's sepoys, 30th Jemadee ool awul - - - - 4,817 10		
	Your sepoys account for transferred amount received and credited you - - - 347 1		
	Interest to this day for two months at two per cent. - 49,136 8		
		55,189	1
9. ..	Sundries:		
	Paid advance to Mr. Fursee's sepoys on your note - - - 2,628 9		
	Mr. Robinson's, sepoys - 7,151 0		
		9,779	9
Shabaun . 2. ..	Rajah Roop Loll's allowance for Rujeb -	800	0
4. ..	Pensions of the Johnstones - - -	483	8
..	One pair shawls, on 2d Rujeb - -	315	0
..	One pair shawls, 3d Rujeb - - -	84	0
..	Two pairs shawls, 5th Rujeb - - -	280	0
..	One pair shawls, 7th Rujeb - - -	175	0
..	Four pairs shawls, 11th Rujeb - -	436	0
..	Two pairs shawls, 14th Rujeb - -	256	0
..	One and a half pair shawls, 19th Rujeb -	241	0
..	One pair shawls, 20th Rujeb - -	210	0
..	Three pairs shawls, 30th Rujeb - -	351	0
..	One pair shawls, 9th Rujeb - - -	240	0
..	One pair shawls, 29th Rujeb - -	70	0
6. ..	Cash paid Munsa Ram's allowance - -	40	0
..	Cash paid Guard - - - - -	44	0
..	Sixty-four diamonds, forty emeralds, five massas bigils for sabres, and two sirpainches, 16th Jemadee oo sanee -	1,292	2
..	Six sirpainches, three jeegahs, two hars, and two pairs dustbunds, 4th Rujeb -	3,625	0
..	One sirputta, 6th Rujeb - - -	370	0
	Carried forward -	22,14,478	2¾

H. 1234 : — F. 1228.		Hyderabad Rupees.	A.
	Brought forward -	12,63,362	3

Carried forward - Rupees 12,63,362 3

[Account A.—Folio 26.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr.

H. 1234.— F. 1228:		Hyderabad Rupees.	A.
	Brought forward -	22,14,478	2¾
Shabaun..	To two sirpainches and one pearl, on 8th and 9th Rujeb - - - - - -	196	0
	.. One har, 11th Rujeb - - - - -	658	0
	.. Two sirpainches, 16th Rujeb - -	253	0
	.. One sirpainch and one pair dustbunds, 22d Rujeb - - - - - -	701	0
	.. One sirpainch, one sirputta, and pearls, 24th Rujeb - - - - - -	513	0
20.	.. Mr. G. Rumbold's allowance for Rujeb	1,000	0
Rumzaun 1.	.. Rajah Roop Loll's allowance for Shabaun	800	0
	.. Services of dinner and desert plates, cups and saucers, &c., 7th Shabaun - -	18,626	8
	.. Twenty-five pieces Punjam cloth, 8th Shabaun - - - - - -	375	0
	.. Two pairs shawls, 15th Shabaun - -	388	0
	.. One shawl, 23d Shabaun - - -	40	0
	.. Five pairs shawls, 27th Shabaun - -	424	0
29.	.. Six chairs and six footstools - - -	1,625	0
4.	.. Cash paid guard - - - - - -	44	0
	.. Pensions of the Johnstones - - -	483	8
6.	.. Cash paid Munsa Ram's allowance -	40	0
7.	.. Mr. Peyton for five camels - - -	1,000	0
10.	.. Cash paid on draft of Kurar Nosg Khan	1,000	0
	.. Three sirpainches and one jeegah, 2d Shabaun - - - - - - -	847	0
	.. One sirpainch, 3d Shabaun - - -	63	0
	.. Two hundred and seventy-six emeralds, 4th Shabaun - - - - - -	82	1
	.. One sirpainch, one bhoojbund, and one sirputta, 8th Shabaun - - - -	808	0
	.. One sirpainch, 18th Shabaun - -	63	0
	.. One har, 21st Shabaun - - - -	150	0
	.. Two sirpainches and one jeegah, 27th Shabaun - - - - - - - -	839	0
	.. One sirpainch, 28th Shabaun - -	63	0
	.. One sutludda, one sirputta, four diamonds, and pearls of a sutludda, 29th Shabaun	4,582	3
	.. One har, 30th Shabaun - - - -	667	0
20.	.. Mr. G. Rumbold's allowance for Shabaun	1,000	0
21.	.. Five camels - - - - - -	1,000	0
23.	.. Cash paid feed of elephants - - -	38	8
3.	.. One sirpainch - - - - - -	125	0
7.	.. One sirpainch and one jeegah - -	299	0
9.	.. One pair dustbunds - - - - -	108	0
10.	.. Nine diamonds - - - - - -	303	12
15.	.. One sirputta, one har, and four hundred and five pearls - - - - - -	1,690	0
16.	.. One hundred and twenty-eight pearls -	577	14
22.	.. One har - - - - - - - -	720	0
24.	.. One har, one sirputta, and seventy-two diamonds - - - - - - - -	2,539	14
25.	.. One sirpainch - - - - - -	66	0
26.	.. One sirpainch - - - - - -	850	0
27.	.. One gooloobund, one sirpainch, and one har - - - - - - - - -	940	0
3.	.. Two pairs shawls - - - - -	178	0
15.	.. Four pairs shawls - - - - -	354	0
27.	.. Two and a half pairs shawls - - -	223	0
5.	.. Two gilt figures - - - - - -	2,820	0
24.	.. Fifteen marble slabs - - - - -	2,023	0
	Carried forward - Rupees	22,66,665	6¾

Cr.

H. 1234.— F. 1228:		Hyderabad Rupees.	A.
	Brought forward -	12,63,362	3
	Carried forward - Rupees	12,63,362	3

(Signed) W. PALMER and Co.

[Account A.—Folio 27.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr.

H. 1234 :— F. 1228.		Hyderabad Rupees.	A.
	Brought forward -	22,66,665	6¾
		22,66,665	6¾
Shuwaul 1.	To balance - - - - - -	10,03,303	3¾
..	Rajah Roop Loll's allowance for Rumzaun	800	0
4. ..	Pensions of the Johnstones for Rumzaun	483	8
..	Purchase of three camels - - - -	600	0
6. ..	Cash paid guard - - - - -	44	0
..	Cash paid Munsa Ram's allowance - -	40	0
14. ..	Mr. James Ralph, paid your draft in his favour - - - - - - -	2,550	0
20. ..	Mr. James Ralph, paid your draft in his favour on account of the talookha of Paloocha - - - - - - -	32,938	8
14. ..	Feed of elephants - - - - -	1,000	0
20. ..	Mr. G. Rumbold for Rumzaun - -	1,000	0
23. ..	Mr. Rae, draft for purchase of lustre drops	3,100	0
Zeekaud 1. ..	Rajah Roop Loll's allowance for Shuwaul	800	0
..	One sirpainch and one har, on 3d Shuwaul	371	0
..	One sirputta, one kunthee, and three sirpainches, 6th Shuwaul - - -	2,826	0
..	One sirpainch, 12th Shuwaul - - -	220	0
..	One sirpainch and one har, 19th Shuwaul	316	0
..	One sirputta, one pair dustbunds, and one sirpainch, 23d Shuwaul - - -	1,069	0
..	One pair bhoojbunds, one har, and one pearl, 24th Shuwaul - - - -	3,300	0
..	One sirpainch, 26th Shuwaul - - -	100	0
..	One sirpainch, 29th Shuwaul - - -	140	0
..	One sirputta, one tootah, one har, one pair dustbunds, and two pearls, 30th Shuwaul	1,357	0
4. ..	Pensions of the Johnstones - - -	483	8
9. ..	Sundries for one lac Rupees. *Draft from 9th Rubbee oo sanee :—*		
	Discounted the Rajah's order on Chotum Loll, and his own authority on Yekteear Khan.		
	Nehal Chund - Rupees 14,000 0		
	Pudunsee and Neynsee 7,000 0		
	Shur Singh Kocher - 7,000 0		
	Jumna Dos - - 14,000 0		
	Huzaree-mul and Deenanath - - - 14,000 0		
	Manic and Mooltan Chund 25,000 0		
	Motee Ram and Soorut 5,000 0		
	Mugnee Ram and Huthee Ram - - - 4,000 0		
	Five months' discount 10,000 0	1,00,000	0
13. ..	Cash paid Munsa Ram's allowance -	40	0
16. ..	Cash paid guard - - - - -	44	0
..	One shawl, on 4th Shuwaul - - -	42	0
..	One pair shawls, 5th Shuwaul - -	69	0
..	Seventy-seven pairs and fourteen furds shawls, 7th Shuwaul - - - -	25,074	0
..	One pair shawls, 15th Shuwaul - -	81	0
..	Two shawls and four pieces taffeta, 21st Shuwaul - - - - - -	157	0
..	One piece taffeta, 25th Shuwaul - -	17	0
..	One pair shawls, 28th Shuwaul - -	80	0
..	Three and a half pairs shawls and forty-four boles of serge, 29th Shuwaul - -	2,605	5
17. ..	Purchase of wood - - - -	8,500	0
20. ..	Mr. G. Rumbold for Shuwaul - -	1,000	0
20. ..	Sooltan Hoossain Khan, as per your draft	48,000	0
..	Muhmood Nooj Khan, as per your draft -	41,400	0
30.	Wood and bricks - - - - -	260	0
Zeehijj .. 1.	Rajah Roop Loll's allowance for Zeekaud -	800	0
2. ..	Cash paid guard - - - - -	44	0
4. ..	Pensions of the Johnstones for Zeekaud -	483	8
..	One har and eleven and three quarters massas gold wire, on 2d Zeekaud - -	381	0
..	One bhoojbund, 13th Zeekaud - -	159	0
..	One bhoojbund, 18th Zeekaud - -	173	0
..	Five sirpainches and two jeegahs, 20th Zeekaud - - - - - -	799	0
..	Two bhoojbunds, two hars, and one pearl, 21st Zeekaud - - - - -	1,182	0
..	One bhoojbund and one pearl, 27th Zeekaud	191	0
	Carried forward - Rupees	12,88,426	8¾

Cr.

H. 1234 :— F. 1228.		Hyderabad Rupees.	A.
	By amount brought forward - -	12,63,362	3
..	Balance - - - - - -	10,03,303	3¾
	(Signed) W. PALMER and Co.	22,66,665	6¾
Shuwaul ..	By Sums received of third kist of a tunkha on Meer Moosse Khan :—		
	3d Shuwaul - Rs. 3,000 0		
	30th Shuwaul - - 2,000 0	5,000	0
..	Sums received of a tunkha on Raee Bal Chund :—		
	20th instant - Rs. 25,000 0		
	25th instant - - 25,000 0	50,000	0
30. ..	Last kist of a tunkha on Meer Moosse Khan - - - - - - -	5,000	0
16. ..	Last kist of a tunkha on Raee Nanuck Ram - - - - - -	17,660	12
Zeekaud ..	.. Fourth kist of a tunkha on Kurar Nooj Khan, due 30th proximo - - -	35,125	0
13. ..	Third kist of a tunkha on Mokkum Jung	16,750	0
15. ..	Last kist of a tunkha on Ruffaat-ool Moolk - - - - - -	1,23,070	0
..	Received on account tunkha on Raee Bal Chund, due 2d proximo - -	40,000	0
..	Transfer of third kist of a tunkha on Raee Nanuck Ram, from 30th Shabaun last - - - - - - -	92,300	0
Zeehijj	.. Sums received from Kurar Nooj Khan on account Oomnabad :—		
	1st Zeekaud - Rs. 2,000 0		
	1st Zeehijj - - - 2,100 0	4,100	0
..	Nursoo - - - - - -	320	0
Moharrum 13. ..	Second kist of a tunkha on Raee Bal Chund - - - - - -	40,000	0
Suffer .... 1. ..	Third kist of a tunkha on Raee Bal Chund - - - - - -	30,000	0
..	Transfer of fourth kist of a tunkha on Raee Nanuck Ram from 30th Zeekaud	92,279	6
8. ..	Draft on Chotum Loll - - -	21,564	10½
..	5,100 lustre drops, 21st Moharrum -	1,396	0
..	Tunkha on Raee Rajeram, 15th Zeehijj	12,500	0
..	Sums received on account tunkha on Mokkum Jung :—		
	15th Moharrum - Rs. 4,650 0		
	19th Moharrum - - 337 0		
	2d Suffer - - - 2,383 0		
	13th Suffer - - - 1,900 0		
	25th Suffer - - - 7,480 0	16,750	0
Suffer.... 25. ..	First kist of a tunkha on Raee Nanuck Ram - - - - - -	16,520	0
..	Sums received on account tunkha on Raee Bal Chund :—		
	17th instant - Rs. 20,000 0		
	1st proximo - - 27,000 0	47,000	0
Rubbee ool awul 2.	First kist of a tunkha on Mokkum Jung in full - - - - - -	230	0
1. ..	First kist of a tunkha on Ruffaat-ool Moolk - - - - - -	1,46,293	14
..	Sums received in full of a tunkha on Raee Rajee ram :—		
	6th instant - - Rs. 8,500 0		
	12th instant - - 4,000 0	12,500	0
19. ..	First kist of a tunkha on Meer Moosse Khan - - - - - -	5,000	0
15. ..	First kist of a tunkha on Kurar Nooj Khan - - - - - -	31,375	0
28. ..	Cash - - - - - -	4	0
25. ..	Cash - - - - - -	256	0
21. ..	Cash - - - - - -	116	0
..	Cash on following dates :—		
	21st instant, 2,000 hoons, at Rs. 4 - - - Rs. 8,000 0		
	22d inst., 42,000 hoons, at Rs. 4 - - - 1,68,000 0		
	24th inst., 1,78,403 hoons, at Rs. 4 - - - 7,13,612 0	8,89,612	0
11. ..	Bill on Kistnajee Bapoojee - - -	5,363	8
..	Transfer of last kist of a tunkha on Raee Nanuck Ram from 30th Suffer last -	1,75,891	10
	Carried forward - Rupees	14,33,977	12½

[Account A.—Folio 28.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.

Dr. *HYDERABAD.* *Cr.*

H. 1234 :— F. 1228.			Hyderabad Rupees.	A.
		Brought forward	12,88,426	8¾
Zeehijj....		To one sirputta, one toorah, and one har, on 30th Zeekaud	1,733	0
	15.	.. Cash paid Munsa Ram's allowance for Zeekaud	40	0
		.. Three pairs shawls and one piece taffeta, from 1st to 29th Zeekaud	393	0
	20.	.. Mr. G. Rumbold for Zeekaud	1,000	0
	1.	.. One sirpainch	90	0
	5.	.. Two sirpainches	206	0
	6.	.. One sirpainch	108	0
	9.	.. One har	226	0
	10.	.. A yacoot ring	800	0
	11.	.. A jeegah and sirpainch	196	0
	15.	.. One sirputta	1,750	0
	23.	.. One sirpainch	215	0
	25.	.. One har and one pair dustbunds	2,900	0
	26.	.. One sirpainch, two furds bhoojbunds, two hars, and two pearls	1,212	0
	30.	.. One sirpainch and one diamond ring	3,507	0
H. 1235. Mohurrum	1.	.. Rajah Roop Loll's allowance for Zeehijj	800	0
	4.	.. Cash paid Munsa Ram's allowance	40	0
		.. Pensions of the Johnstones	483	8
		.. Interest to 30th Shuwaul	97,282	6
Transferred Balance due in security of the Rajah.		Muhummud Sahib, to 30th Shuwaul	17,730	3¼
		Huzareemul and Deenanath, on account Muhummud Sahib	10,713	6
		Kishun Dos Pursotum Dos, to 30th Shuwaul	10,713	6
		Syud Abdoor Ruhman Arab, to 30th Shuwaul	6,345	7
		.. Puthroobee, *per order*, to 30th Shuwaul	356	4
		.. Hukeem Shuffaee Khan, *per order*, to 30th Shuwaul	3,000	0
		.. Rungum Shroff, to 30th Shuwaul	90	0
		.. Persian College, to 30th Shuwaul	1,800	0
		.. Persian College for building, to 30th Shuwaul	1,500	0
		.. Draft in favour of Nuzzar Mohummud Khan, to 30th Shuwaul	2,575	0
		.. Mr. William Palmer, to 30th Shuwaul	27,840	0
		.. Mr. H. Palmer, to 30th Shuwaul	12,000	0
		.. Mr. R. Palmer, to 30th Shuwaul	7,200	0
		.. Mr. R. H. Fenwick, to 30th Shuwaul	3,600	0
His allowance.		.. Moiz ood Deen Khan, Rs. 600; less Rs. 15, carried to Sooltan Hoossain Khan's credit	585	0
		.. Sheikh Kurrum Ali, 30th Shuwaul	600	0
		.. Oodhan Sing, 30th Shuwaul	1,353	9
		.. Doorga Dos Muhomed, 30th Shuwaul	1,320	0
		.. Meer Ali Mukhee Khan, 30th Shuwaul	270	0
		.. K. Abbas Ali, 30th Shuwaul	900	0
		.. Khajeh Ujeez Khan, 30th Shuwaul	600	0
		.. Seyed Hussun Sahib, 30th Shuwaul	2,745	0
		.. Soofee Sahib, 30th Shuwaul	2,385	0
		.. Rehmut Ali, 30th Shuwaul	2,790	0
		.. Lushkurree Khan, 30th Shuwaul	585	0
		.. Mirza Nuwab, 30th Shuwaul	705	0
		.. Sayed Kurreem Oollah, 30th Shuwaul	645	0
		.. Syud Muhummud Suwar, 30th Shuwaul	465	0
		.. Mohomud Sulahood Deen, 30th Shuwaul	1,065	0
		.. Kadir Padshah, 30th Shuwaul	361	0
		.. Fuzil Khan, 30th Shuwaul	525	0
		.. Muhmood Noaj Khan, transferred allowance of 30th Shuwaul :—		
		Yaseen Khan — Rs. 765 0		
		Sooliman Khan — 765 0		
		Kootabood Deen — 180 0		
		His own allowance — 10,065 0		
		Kurreemon Nussur — 1,200 0		
		Meer Koorsheid Ali — 600 0		
		Ghoolam Sooliman — 600 0		
		Mirza Hyder Ali — 720 0		
		Meer Jaffeer Ali — 720 0		
			15,615	0
		Carried forward — Rupees	15,40,386	10

H. 1234 :— F. 1228.		Hyderabad Rupees.	A.
	Brought forward	19,33,977	12½
	Carried forward — Rupees	19,33,977	12½

(Signed) WM. PALMER and Co.

[Account A.—Folio 29.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.

Dr. *HYDERABAD.* *Cr.*

H. 1235 :— F. 1229.			Hyderabad Rupees.	A.
		Brought forward -	15,40,386	10
Mohurrum ..	—	To Sooltan Hoossain Khan transferred the following allowances to 30th Shuwaul:		
		His own - - - 9,494 0		
		Moiz ood Deen Khan - 15 0		
		Zyne ool Abedeen - 900 0		
		Ghoolam Muhummud - 600 0		
			11,009	0
	..	Kaussim Sahib (or Nuzrut Yar Jung).		
		His own *allowance* (*Kassim Sahib's*) - - - 12,000 0		
		Muhmood Auriff ood Deen's *allowance* - 360 0		
		Peer Muhummud, *allowance* 360 0		
			12,720	0
	..	Muhmood Ruffee ood Deen, allowances of:		
		Ghoolam Muhummud and Muhummud Shuffaee Khan - - - 1,285 10		
		Ghoolam Mohee ood Deen 975 0		
		Muhummud Ameen ood Deen - - - 120 0		
		Sheikh Muhmud - 325 0		
			2,705	10
	..	Mirza Nuwab, 30th Shuwaul - -	377	8
Mohurrum	14. ..	Cash paid Guard - - - -	44	0
	20. ..	Mr. G. Rumbold, for Zeehijj - -	1,000	0
	..	Twelve pairs shawls, fifteen pieces kimkhabs, and eighty-eight turbands, on 4th Zeehijj - - -	4,152	0
	..	Two pairs shawls, 11th Zeehijj -	234	0
	..	Four pairs shawls, 12th Zeehijj -	884	0
	..	Seven pairs three furds shawls, and twelve pieces kimkhabs, 13th Zeehijj.	2,617	1
	..	One pair shawls, 14th Zeehijj - -	280	0
	..	One and a half pair shawls, 15th Zeehijj	255	0
	..	One pair shawls and one piece kimkhab, 17th Zeehijj - - - -	255	0
	..	Three pieces kimkhabs, 18th Zeehijj -	1,110	0
	..	Two pairs shawls, 19th Zeehijj - -	428	0
	..	One pair shawls, and two pieces kimkhabs, 21st Zeehijj - - -	312	0
	..	Two pieces kimkhabs, 24th Zeehijj -	275	0
	..	One pair shawls, 25th Zeehijj - -	200	0
	..	One pair shawls, 26th Zeehijj - -	75	0
	..	One piece taffetta, 29th Zeehijj- -	17	0
	..	One pair shawls, 30th Zeehijj - -	210	0
Suffer	1. ..	Rajah Roop Loll's allowance for Mohurrum - - - - - - -	800	0
	4. ..	Pensions of the Johnstones - -	483	8
	..	One thousand three hundred and seventy-one pearls, two bored yacoots, and one tolah gold wire, on 3d Mohurrum	3,411	13
	..	One toorah, 12th Mohurrum - -	540	0
	..	One sirputtah, one har, and one pair dustbunds, 23d Mohurrum - -	1,878	0
	..	One har, 29th Mohurrum - -	355	0
	13. ..	Cash paid Guard - - - -	44	0
	14. ..	Mr. James Ralph, paid your draft for his allowance to end of Mohurrum -	3,400	0
	20. ..	Paid your draft on us, on account Rajah Sookh Loll - - - -	3,239	4¾
	..	Twelve pairs shawls, from 2d to 29th Mohurrum - - - - -	2,365	0
	..	Two pieces taffeta, 3d Mohurrum -	34	0
	1. ..	Purchase of glass-ware - - -	12,403	0
	20. ..	Mr. G. Rumbold, for Mohurrum -	1,000	0
	24. ..	Two ivory balls - - - -	320	0
	26. ..	Cash paid sepoys - - - -	20	0
	27. ..	Cash paid Munsa Ram's allowance for last month - - - - - -	40	0
Rubbee ool awul	1. ..	Rajah Roop Loll's allowance for Suffer	800	0
	3. ..	Cash paid Munsa Ram, allowance for Suffer - - - - - -	40	0
	4. ..	Pensions of the Johnstones - -	483	8
	..	Five sirpainches, two jeegahs, three hars, two pairs dustbunds, one pair bhoojbunds, and three pearls, on 5th Suffer - - - - - -	4,367	0
	..	One sirpainch and one har, 6th Suffer	308	0
	..	Five sirpainches and four pearls, 10th Suffer - - - - - -	390	0
	..	One sirputta, one pair dustbunds, four hars, two sirpainches, one jeegah, and ten emerald pendants, 13th Suffer -	5,372	0
	..	One sirpainch, 14th Suffer - -	375	0
	..	One kuntha and one har, 15th Suffer -	1,291	0
	..	One toorah, one pair dustbunds, two sirputtas, two hars, eight sirpainches, four diamonds, and thirty-five pearls, 17th Suffer - - - - -	7,261	14
	..	Three sirpainches, 18th Suffer - -	312	0
	..	One pair dustbunds, and one sirpainch, 21st Suffer - - - - -	355	0
		Carried forward - Rupees	16,31,235	12¾

H. 1224.— F. 1228:		Hyderabad Rupees.	A.
	Brought forward -	19,33,977	12½
	Carried forward -	19,33,977	12½

[Account A.—Folio 30.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.

HYDERABAD.

Dr.

H. 1235 :— F. 1229.			Hyderabad Rupees.	A.
		Brought forward -	16,31,235	12¾
Rubbee ool awul.	—	To one sirpainch, on 22d Suffer - -	165	0
		.. One sirpainch, 25th Suffer - -	80	0
		.. One sirpainch, 27th Suffer - -	64	0
		.. Three kunthees, 29th Suffer - -	3,975	0
	7.	.. Your draft on us for purchase of glass-ware - - - - - -	2,792	8
	10.	.. Cash paid Guard - - - -	41	0
		.. Five pairs shawls, 4th Suffer - -	504	0
		.. Two pairs shawls, 5th Suffer - -	430	0
		.. Three pairs shawls, 6th Suffer - -	518	0
		.. Twenty-seven pairs shawls, 10th Suffer	2,310	0
		.. Three pairs shawls, 13th Suffer - -	380	0
		.. One pair shawls, 14th Suffer - -	208	0
		.. One furd shawl, 15th Suffer - -	44	0
		.. One pair shawls, 16th Suffer - -	210	0
		.. Eleven pairs shawls, 17th Suffer -	2,621	0
		.. Five pairs shawls, 18th Suffer - -	872	0
		.. Two pairs shawls, 19th Suffer - -	290	0
		.. Two pairs shawls, 20th Suffer - -	398	0
		.. One pair shawls, 21st Suffer -	160	0
		.. One pair shawls, 22d Suffer - -	200	0
		.. One pair shawls, 24th Suffer -	160	0
		.. Two pairs shawls, 25th Suffer - -	228	0
		.. Two pairs shawls, 27th Suffer - -	175	0
		.. One pair shawls, 29th Suffer -	150	0
	20.	.. Mr. G. Rumbold for Suffer - -	1,000	0
	21.	.. Cash paid Guards - - - -	208	0
	25.	.. Paid Sooltan Hoossain Khan and Muhmood Noaj Khan *on a draft* - -	2,000	0
	30.	.. Cash paid Guards - - - -	293	12
	24.	.. Aurungabad firm, on account seven lacs	6,00,000	0
		.. Agency on sales of pagodas, amounting to Rs. 8,89,988 - - - -	2,224	15½
Rubbee oo sanee	1.	.. Rajah Roop Loll's allowance for Rubbee ool awul - - - - - -	800	0
	4.	.. Pensions of the Johnstones for Rubbee ool awul - - - - -	163	8
	7.	.. Cash paid Guards - - -	50	0
		.. One kunthee and one har, on 3d Rubbee ool awul - - - -	2,150	0
		.. One sirputta and two sirpainches, 4th Rubbee ool awul - - - -	791	0
		.. Two sirpainches, one har, and one pair dustbunds, 7th Rubbee ool awul -	1,066	8
		.. Two thousand two hundred and fifty-five pearls, seven pudduks, and two joognees, 8th Rubbee ool awul -	9,143	0
		.. Four pudduks, 14th Rubbee ool awul -	842	0
		.. One sirputta, 15th Rubbee ool awul	430	0
		.. Two soonasee kesaj of a sutludda, 16th Rubbee ool awul - - -	182	0
		.. Nine hundred and thirty-five pearls, four sutludda kesaj, and five pudduks, 18th Rubbee ool awul - - -	4,091	1
		.. One pudduk, 24th Rubbee ool awul -	40	0
		.. One sirpainch, 27th Rubbee ool awul -	59	0
		.. Four hundred and sixty-three pearls, four joognees, and two tikdas of sutludda, 28th Rubbee ool awul -	1,112	14
	10.	.. Cash paid Munsa Ram's allowance for Rubbee ool awul - - - -	40	0
	4.	.. Feed of elephants - - -	2,059	10¾
	3.	.. Purchases of Gould and Campbell's goods - - - - - -	14,391	0
		.. Twenty pairs, four furd shawls, two pieces kimkhabs, and twelve pieces seluhs, from 1st to 30th Rubbee ool awul - - - - -	3,970	0
	20.	.. Mr. G. Rumbold - - -	1,000	0
		.. Cash paid on your draft, due 19th Shaban next - - - - -	2	5¼
		.. Sums paid on your draft on Mohummud Jelroos Arab :		
		23d Rubbee ool awul Hoons - - - 71,256 0		
		30th Suffer - - 13,613 9		
		18th Suffer - - 2,906 0		
		19th Suffer-interest - 12,222 1¾	99,997	10¾
	19.	.. Cash - - - - - -	1,235	1¼
		Total Rupees -	23,97,956	11¼

Cr.

H. 1235 :			Hyderabad Rupees.	A.
Rubbee ool awul.	28.	By amount brought forward - -	19,33,977	12½
Rubbee oo sanee.	30.	By balance - - - - -	4,63,979	2¼
		Total Rupees -	23,97,956	11¼

(Signed) WM. PALMER and Co.

[Account A.—Folio 31.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.

HYDERABAD.

Dr.

H. 1235.		Hyderabad Rupees.	A.
Jemadee ool awul	1. To balance brought forward	4,63,979	2¼
	.. Cash paid for feed of elephants, *paid draft on us*	1,582	13
	.. Rajah Roop Loll's allowance for Rubbee oo sanee	800	0
	.. One sirpainch, on 2d Rubbee oo sanee	150	0
	.. One sirpainch, 3d Rubbee oo sanee	131	0
	... One puddock, 4th Rubbee oo sanee	65	0
	.. Seventeen sirpainches, one har, one jeegah, one dustbund, one sirputta, and seven pearls, 5th Rubbee oo sanee	2,682	0
	.. One sirpainch and one pearl, 7th Rubbee oo sanee	115	0
	.. One sirpainch, 8th Rubbee oo sanee	250	0
	.. One pair bhoojbunds, 13th Rubbee oo sanee	920	0
	.. Two sirpainches and one har, 15th Rubbee oo sanee	434	0
	.. Two sirpainches, one har, and one sirputta, 16th Rubbee oo sanee	1,421	0
	.. Two sirpainches, 18th Rubbee oo sanee	310	0
	.. Two sirpainches, 21st Rubbee oo sanee	141	0
	.. Five sirpainches, 23d Rubbee oo sanee	446	0
	.. Three sirpainches, two hars, three jeegas, two sirputtas, and one pair dustbunds, 24th Rubbee oo Sanee	5,347	0
	.. One sirpainch and one har, 26th Rubbee oo sanee	606	0
	.. Four sirpainches, one pair dustbunds, and one har, 28th Rubbee oo sanee	1,347	8
	.. Two sirpainches and one har, 29th Rubbee oo sanee	669	0
4.	.. Cash paid Munsa Ram's allowance for last month	40	0
	.. Pensions of the Johnstones	483	8
8.	.. Cash paid in part your draft on us for Rupees 10,000	5,000	0
	.. Gunga Baee, 27th Rubbee oo sanee	1,222	0
8.	.. Paid your draft on us for Rupees 10,000 in full	5,000	0
18.	.. Durrea Jung, *on draft*	750	0
22.	.. Cash paid Nursoo	10,160	0
20.	.. Mr. G. Rumbold for Rubbee oo sanee	1,000	0
	.. Ten and a half pairs shawls, eight pieces kimkhabs, one piece mushroo, from 3d to 28th Rubbee oo sanee	2,514	0
23.	.. Cash *paid Nursoo*	49,225	13
24.	.. Cash *paid Nursoo*	40,328	0
25.	.. Cash *paid Nursoo*	40,000	0
26.	.. Cash paid to Nursoo	20,000	0
27.	.. Cash paid to Nursoo	20,000	0
28.	.. Cash paid to Nursoo	19,800	0
Jemadee oo sanee 1.	.. Rajah Roop Loll's allowance for Jemadee ool awul	800	0
2.	.. Cash paid Nursoo	341	3
4.	.. Sums paid on account your draft on us	42,631	0
6.	.. Cash paid Nursoo in full of above draft	7,369	0
2.	.. Draft in Ballia Folidar	145	0
4.	.. Pensions of the Johnstones for last month	483	8
	.. One glass and six pairs soosees, on 5th Rubbee oo sanee	3,542	0
	.. Seven pairs mirrors, 14th Rubbee oo sanee	3,000	0
13.	.. Cash paid Munso Ram's allowance	40	0
29.	.. Cash paid Hukeem Shuffaee Khan	5,000	0
	.. Three sirpainches and one jeega, on 1st Jemadee ool awul	524	8
	.. One sirpainch and one har, 2d Jemadee ool awul	180	0
	.. One sirpainch, two hars, and one pearl, 9th Jemadee ool awul	1,259	0
	.. One har, 18th Jemadee ool awul	450	0
	.. Seven hundred and ninety-one diamonds, 20th Jemadee ool awul	2,827	0
	.. One sirpainch, 22d Jemadee ool awul	60	8
	.. Eighty-five emeralds, 25th Jemadee ool awul	532	0
	.. One sirpainch, 29th Jemadee ool awul	60	0
	.. Two strings pearls, 30th Jemadee ool awul	305	8
	.. Purchases of sundries, from 3d to 30th Jemadee ool awul	4,837	0
	Carried forward	Rupees 7,71,306	15¼

Cr.

H. 1235.		Hyderabad Rupees.	A.
Jemadee oo sanee	By two kists of a tunkha on Raee Nanuck Ram:		
	30th Rubbee ool awul, Rupees 15,000 0		
	30th Rubbee oo sanee 15,000 0		
		30,000	0
15.	.. First kist of a tunkha, from Veeruppa Guneish Rao in part	1,00,000	0
	.. Second kist of a tunkha from Ruffaat-ool Moolk, due 5th Rujeb	1,43,085	0
19.	.. Second kist of a tunkha on Kurur Noaj Khan	41,375	0
	.. Drafts of Kurar Noaj Khan for Oomnabad, 1st Jemadee oo sanee inclusive	11,900	0
	.. Bills on Kasee Dos and Narien Dos:		
	11th Instant, Rupees 35,000 0		
	13th Instant 45,000 0		
		80,000	0
Rujeb..... 1.	.. Kurar Noaj Khan's draft	2,000	0
	.. Four kists of Tunkhas on Raee Nanuck Ram:		
	30th Jemadee ool awul, 3d kist, Rs. 15,000 0		
	13th Jemadee oo sanee, 4th kist 15,000 0		
	30th instant, 5th kist 15,000 0		
	30th Jemadee ool awul, 1st kist 68,027 5		
		1,13,027	5
16.	.. First kist in part of a tunkha on Raee Bal Chund	40,000	0
15.	.. Second kist of a tunkha on Meer Moosse Khan	5,000	0
Shabaun .. 2.	.. Cash	272	0
7.	.. Kasee Dos and Narien Dos in full of draft	20,000	0
	.. Third kist of a tunkha on Ruffaat-ool Moolk, due 22d Rumzaun	1,41,543	14
	.. Difference in price of lustre drops		8
	.. Kurar Noaj Khan's drafts for Oomnabad, 1st Shabaun and 1st Rumzaun	4,000	0
30.	.. Two kists of tunkhas on Raee Nanuck Ram	83,027	5
	.. Sums received of second kist of a tunkha on Mokkum Jung:		
	26th Instant, Rupees 11,635 0		
	27th Instant 200 0		
	28th Instant 4,915 0		
		16,750	0
	.. Mokkum Jung's tunkha:		
	28th Shabaun, Rupees 10,085 0		
	17th Shabaun 6,145 0		
		16,230	0
	.. Raee Nanuck Ram, transfers:		
	From 21st Jemadee ool awul Rs. 1,500 0		
	22d Jemadee ool awul 500 0		
	24th Rujeb 1,500 0		
		3,500	0
Shuwaul....	.. Sums received on account Raee Bal Chund:		
	11th Shuwaul, Rupees 50,000 0		
	25th Shuwaul 50,000 0		
		1,00,000	0
Rumzaun ..30.	.. Transfer on account tunkha on Raee Bal Chund, *per draft*	90,000	0
	.. Seventh kist of a tunkha on Raee Nanuck Ram	15,000	0
	Carried forward	Rupees 10,56,711	6

[Account A.—Folio 32.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co. *HYDERABAD.*

Dr. *Cr.*

H. 1235.		Hyderabad Rupees.	A.
	Brought forward -	7,71,306	15½
Rujeb .. 4.	To pensions of the Johnstones - - -	483	8
..	Esau Meean, paid your note in his favour	7,367	12
5. ..	Mr. James Ralph, paid your draft on us for his allowance to 30th Jemadee ool awul	3,400	0
6. ..	Cash paid Munsa Ram's allowance -	40	0
8. ..	Cash. *Vide Reference-sheet, page* 1 - -	37,015	12
1. ..	Rajah Roop Loll's allowance for Jemadee oo sanee - - - - - - -	800	0
9. ..	Cash *paid Nursoo* - - - - -	16,149	4
11. ..	Cash *paid Nursoo* - - - - -	23,010	0
..	One hundred and sixty pearls, one poonchee, and three pudducks, on 2d Jemadee oo sanee - - - - - - -	1,079	0
..	One sirputta and one har, 3d Jemadee oo sanee - - - - - - - -	826	0
..	One sirpainch and a musical snuff-box, 10th Jemadee oo sanee - - -	5,175	0
..	One bhoojbund, one jeegah, and one har, 16th Jemadee oo sanee - - -	575	0
..	One hundred and fifty-four pearls, 18th Jemadee oo sanee - - - -	294	0
..	One sirpainch, 24th Jemadee oo sanee -	85	0
13. ..	Cash *paid Nursoo in part draft* - -	53,112	0
14. ..	Cash *paid Nursoo in part draft* - -	12,500	0
15. ..	Cash *paid Nursoo in part draft* - -	7,640	0
..	Cash paid guard - - - - - -	88	0
8. ..	Sundries :—		
	Per order. Race Boochurmul, paid him in full *Rupees* 21,900 - - Rs. 775 0		
	Baboo Raee Girdaree Loll 1,500 0		
	Hurree Dos Damoodur Dos 1,904 10½		
	Manic Chund Mooltan Chund - - - 3,000 0		
	Profit and loss - - 1,033 5½		
		8,213	0
15. ..	Cash *paid to Nursoo* - - - -	25,000	0
16. ..	Cash *paid to Nursoo* - - - -	13,500	0
19. ..	Cash *paid to Nursoo* - - - -	19,233	8
..	Six hoondies on Lalluk Ram Sewjee Ram, dated 10th, 13th, and 16th instant -	4,132	0
19. ..	Cash paid *by* Hurree Dos Damoodur Dos *to Nursoo* - - - - - - -	15,000	0
..	Huzareemul and Deenanath, *as above* -	15,000	0
20. ..	Gopal Dos - - - *ditto* - -	50,000	0
..	Kishen Dos Hurjeeven Dos *ditto* - -	13,260	0
..	Mr. G. Rumbold for two last months -	2,000	0
22. ..	Paid Ismael Khan, *by the Rajah's desire, and on our receipt to Ismael Khan* - -	50,000	0
20. ..	Resident's treasury, *by order on us, payable in two months* - - Rs. 83,049 1½		
	One per cent. premium on Bagh C. Rupees - 830 8		
		83,879	9½
22. ..	Cash *paid through Nursoo* - - -	3,626	14½
..	Forty-nine pieces kimkhaba, on 10th Jemadee oo sanee - - - - - -	11,299	0
..	One piece of kimkhab, 3d Jemadee oo sanee	293	0
..	Two pieces petumber, and two pair shawls, 2d Jemadee oo sanee - - - -	388	0
..	Ten pairs shawls, from 17th to 29th Jemadee oo sanee - - - - -	1,079	0
29. ..	Mahomed Shuffaee Khan, paid draft on us	488	0
Shabaun 4. ..	Cash paid through Luchmun, *the Rajah's servant* - - - - - - -	50,000	0
5. ..	Cash paid Munsa Ram's allowance -	40	0
4. ..	Cash *paid through Nursoo* - - -	10,500	0
1. ..	Rajah Roop Loll's allowance - -	800	0
4. ..	Pensions of the Johnstones - - -	483	8
7. ..	Cash paid to Luchmun, *the Rajah's servant*	38,000	0
..	Cash paid guard - - - - - -	44	0
..	Jumna Dos, *transferred for cash paid Nursoo*	92	8
..	Five hoondies on Mohur Dos Roop Ram, dates 14th, 18th, 24th, and two 28th inst.	6,695	0
..	Three hoondies on Luchmun Dos Sooroop Sook, 14th instant, and two 4th Rumzaun	850	0
..	Three hoondies on Birdrungeer, 25th inst.	3,500	0
10. ..	Cash paid *through Luchmun* - - -	362	8
..	Twelve pairs shawls, from 3d to 24th Rujeb - - - - - - -	1,895	0
	Carried forward - Rupees	13,70,601	11½

H. 1235.		Hyderabad Rupees.	A.
	Brought forward -	10,56,711	6
	Carried forward Rupees	10,56,711	6

(Signed) W. PALMER and Co.

[Account A.—Folio 33.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr.

H. 1235.		Hydcrabad Rupees.	A.
	Brought forward -	13,70,601	11¼
Shabaun —	To one sirpainch and one jeegah, on 1st Rujeb	255	0
..	One sirpainch and one har, 5th Rujeb -	542	0
..	One sirpainch, 6th Rujeb - - -	95	0
..	Two sirpainches and one har, 13th Rujeb -	629	0
..	One sirpainch, 16th Rujeb - - -	84	0
..	One sirpainch, 18th Rujeb - - -	232	0
..	One sirpainch, 23d Rujeb - - -	83	0
..	One sirpainch and one har, 25th Rujeb -	565	0
..	One sirpainch and one har, 28th Rujeb -	465	0
..	Resident's treasury for your two drafts :— 24th Rujeb, Rs. 68,360,14; and 2d Shabaun, Rs.96,495. 13¾ Rs.1,64,856 11¾ Premium for Bagh C. Rupees 1,648 8¾	1,66,505	4½
18. ..	Jumna Dos, for ten hoondies on Aurungabad, at three months' sight:—		
	One for - - Rs. 15,000 0		
	One for - - 20,000 0		
	One for - - 37,000 0		
	One for - - 25,000 0		
	One for - - 47,000 0		
	One for - - 44,000 0		
	One for - - 42,000 0		
	One for - - 17,000 0		
	One for - - 35,000 0		
	One for - - 18,000 0	3,00,000	0
Shabaun10. ..	Paid your draft on us in favour of Kona Rao	30,000	0
18. ..	Cash paid Raee Boochurmul *on order* -	41,000	0
..	Cash paid Nursoo *for Bunseedur Dos* -	18,135	0
19. ..	Cash paid Soga Ram Sahib Yadik, *through Nursoo* - - - - - - -	32,537	0
..	Cash paid Bidder Chund Modhee, *in part order Rs.* 25,000 - - - - - -	20,140	0
21. ..	Cash paid your two drafts, one for Rs.1,110, and one for Rs. 6,215,12 - - -	7,325	12
..	Persian College, paid six months' subscription, to 30th Rubbee oo sanee - -	1,800	0
..	Hukeem Shuffaee Khan, 30th Rubbee oo sanee - - - - - - - -	3,000	0
..	Puthroobee, 30th Rubbee oo sanee - -	356	4
..	Rungum, 30th Rubbee oo sanee - -	90	0
..	Hurree Dos Pursotum Dos, Dewale present on 30th Rubbee oo sanee - - -	100	0
..	Sepoys transferred per receipt, 30th Rubbee oo sanee - - - - - - -	4,760	0
..	Sooka Ram, 30th Rubbee oo sanee - -	18	0¼
..	Exchange on six lacs paid on account Aurungabad firm, 30th Rubbee oo sance -	3,250	0
..	Interest to 30th Rubbee oo sanee - -	87,867	14½
19. ..	Cash paid Birdhee Chund Modhee, *in full order Rs.* 25,000 - - - - -	4,860	0
23. ..	Cash paid Kohee Beg Khan, through Nursoo	6,000	0
24. ..	Cash paid Nursoo - - - - -	40,000	0
26. ..	Cash paid Khojeh Saad ood Deen Khan, *on draft* - - - - - - -	9,634	0
..	Cash paid in part of your draft in favour of Kohee Beg Khan - - - -	20,000	0
..	Transfer in full of your draft in favour of Kohee Beg Khan, from 24th inst. - -	14,940	0
17. ..	Gopal Dos, on account of Baker Ali and Lal Mirza, *on draft for* - - -	28,000	0
21. ..	Paid your draft in favour of Dowlut Khan	4,000	0
23. ..	Paid your draft in favour of Thombe Khan	24,420	8¾
24. ..	Paid your draft in favour of Yasem Khan in part - - - - - - - -	1,500	0
25. ..	Paid on account of your draft in favour of Yasem Khan in full - - - -	3,100	0
17. ..	Transfer of your draft in favour of Etiba Khan - - - - - - - -	3,017	0
26. ..	Ukhee Ram, on account nine drafts - -	58,750	8
..	Gopal Dos, for cash paid on your draft -	20,251	11¾
..	Dun Naig Jy Kishen, for cash paid, on your draft	19,980	15
..	Birjruthun Dos and Jug Mohun Dos, *paid through Nursoo* - - - - -	2,017	5¼
25. ..	Kadir Sahib, *paid draft in his favour* -	6,000	0
20. ..	Paid your draft in favour of Dyem Khan	20,000	0
25. ..	Paid your draft in favour of Loll Chund Ramnarain - - - - - -	30,000	0
..	Paid your draft in favour of Mahomud Ram and Benrabin Dos - - - -	2,00,000	0
26. ..	Dhunroop Bhukum Chund, cash paid on account your draft - - - -	10,000	0
..	Hookum Chund Marwaree, cash paid on account your draft - - - -	10,000	0
	Carried forward - Rupees	26,26,908	14¾

Cr.

H.1235.		Hydcrabad Rupees.	A.
	Brought forward -	10,56,711	6
	Carried forward - Rupees	10,56,711	6

[Account A.—Folio 34.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.

Dr. *HYDERABAD.* *Cr.*

H. 1235 :— F. 1229.		Hyderabad Rupees.	A.
	Brought forward -	26,26,908	14¾
Shabaun.. 28.	To paid your draft on us in favour of suwars	15,000	0
27. ..	Cash paid suwars attached to Rajah Shum Pursaud, *on draft* - - - - -	18,485	0
28. ..	Cash paid Godlum Jelaner, Commandant, *on draft* - - - - - - -	3,000	0
..	Cash paid your draft in favour of Rao Buksh Singh in part - - - -	1,715	0
21. ..	Paid your two drafts on us - - -	27,555	0
28. ..	Cash *in part draft for Rupees* 83,146 -	17,370	0
29. ..	Cash *in part draft for Rupees* 83,146 -	10,000	0
..	Paid your draft in favour of Ruffaat-ool Moolk - - - - - - -	25,588	8
..	Paid your draft in favour of Ukhee Ram	4,411	8
30. ..	Motee Ram Soorut *on draft* - -	10,000	0
20. ..	Mr. G. Rumbold - - - -	1,000	0
Rumzaun 1. ..	Rajah Roop Loll - - - -	800	0
..	Cash paid Nursoo, *in part draft Rs.* 83,146	12,000	0
..	Paid your draft on us for Rupees 2,75,000, due 10th Shabaun - - -	2,75,000	0
2. ..	Cash paid your draft in favour of Raee Buksh Sing, in full - - - - -	3,085	0
..	Cash paid Nursoo, *in full Rupees* 83,146 *and in a part draft for Rupees* 20,000 -	40,363	0
..	Cash *in part draft Rupees* 20,000 - -	3,413	0
..	Paid part of your draft of Rupees 20,000	10,000	0
1. ..	Paid part of your draft on us on account pay of Arabs - - - - - -	3,200	0
3. ..	Cash in part of your draft of Rs. 20,000 -	6,459	15
5. ..	Cash paid Munsa Ram's allowance -	40	0
3. ..	Interest in full draft of Rs. 20,000 less interest on one lac - - - - -	4,540	1
2. ..	Paid your draft in favour of Rada Kishen	53,216	0
4. ..	Paid your draft in favour of Bunmalee Dos Dwarka Dos - - - - -	50,000	0
9. ..	Paid your draft in favour of Colonel John Doveton, for purchase of two camels -	600	0
..	Paid your draft in favour of Baboo Raee Girdaree Loll, dated 22d Shabaun -	15,000	0
..	Paid your draft in favour of Hur Buksh Raee, 22d Shabaun - - - - -	12,000	0
..	Paid your draft in favour of Munsoor Khan, 11th Shabaun - - - - -	30,000	0
10. ..	Cash paid your two drafts in favour Hukeem Shuffaee Khan Rs. 4,000 0		
..	Do. in favour of Futty Ali Beg 3,000 0		
		7,000	0
20. ..	Mr. G. Rumbold - - - - -	1,000	0
16. ..	Cash paid sepoys - - - - -	2,800	0
4. ..	Resident's treasury, paid your draft for Rs. 46,549. 7½, and premium Rs. 232. 12	46,782	3½
9. ..	Sundries on account Raee Ballogo, *draft on us* - - - - - - -	1,04,000	0
..	One sirpainch, on 1st Shabaun - -	55	0
..	One har, 7th Shabaun - - - -	150	0
..	One sirpainch, 8th Shabaun - - -	148	0
..	One sirpainch, 10th Shabaun - - -	153	0
..	One sirpainch and one har, 11th Shabaun	575	0
..	One sirpainch, 12th Shabaun - - -	150	0
..	One bhoojbund, one har, and one pair dustbunds, 18th Shabaun - - -	992	0
..	One sirpainch, 19th Shabaun - - -	98	0
..	Three sirpainches, 26th Shabaun - -	170	0
..	Two hundred and forty-seven pearls, 27th Shabaun - - - - - -	870	3
..	Seventy-six emeralds and six hundred and sixty-nine diamonds - - - -	2,815	0
..	Six and a half pairs shawls, from 1st to 26th Shabaun - - - - - -	615	0
..	Thirty-seven pieces kimkhabs, twenty-five dooputtas, and one piece handkorchief, on 21st Shabaun - - - - -	16,111	0
Rumzaun 1. ..	Glass ware - - - - - - -	51,940	0
10. ..	Interest on one lack rupees for 21 days	1,400	0
4. ..	Pensions of the Johnstones for Shabaun -	483	8
20. ..	Hoondie on Durmana Naig - - -	50,000	0
24. ..	Cash, *on draft* - - - - - -	18,000	0
25. ..	Cash, *on draft* - - - - - -	2,000	0
26. ..	Huzaree Mull and Deenanath, *on draft* -	15,000	0
..	Mr. E. Gordon for pension to Miss Danzas	411	0
27. ..	Cash, *on draft* - - - - - -	5,000	0
30. ..	Raee Bal Chund, *cancelled per contra* -	90,000	0
	Rupees -	37,39,113	13¼

H. 1235 :— F. 1229.		Hyderabad Rupees.	A.
Rumzaun. 30.	By amount brought forward - - -	10,56,711	6
..	Balance - - - - - -	26,82,402	7¼
	Rupees	37,39,113	13¼

(Signed) WM. PALMER and Co.

[Account A.—Folio 35.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.

Dr. *HYDERABAD.* *Cr.*

H. 1235 :—F. 1229.			Hyderabad Rupees.	A.
Shuwaul	1.	To balance - Brought forward -	26,82,402	7¼
	3. ..	Cash paid Guard - - - - - -	44	0
	1. ..	Rajah Roop Loll's allowance for Rumzaun - - - - - - -	800	0
	4. ..	Pensions of the Johnstones - - -	483	8
	5. ..	Cash paid Munsa Ram's allowance -	40	0
	5. ..	Cash, *on draft* - - - - - -	5,000	0
	8. ..	Cash paid in advance to Guard - -	40	0
	..	Paid your draft on us, due 19th Zeehijj -	1,00,000	0
	24. ..	Paid draft on us for amount of a horse -	600	0
	..	Paid your two drafts, due 1st Shuwaul -	23,457	1
	27. ..	Cash paid through Nursoo, *on draft* -	1,000	0
	28. ..	Sundries - - - - - - -		
		Draft in favour of Kurar Noaj Khan - - 40,000 0		
		On draft, cash paid Suree Noaj Rao - - - 4,000 0		
			44,000	0
Zeekaud	4. ..	Cash paid your draft in favour of Goormul Singh - - - - - -	300	0
	..	Syed Akil Khan, *on draft*, 28th Shuwaul	10,000	0
	1. ..	Paid your draft on us in favour of Noor ool Oomrah - - - - - -	4,25,579	7¾
	6. ..	Paid your draft on us in favour of Imrut Raee - - - - - - -	2,250	0
	6. ..	Ukhee Ram, *draft for thirteen thousand rupees on Kurar Noaj Khan, discounted by us* - - - - - -	12,740	0
	..	Interest on 13,000 rupees - - -	260	0
	4. ..	Paid your draft on us - - - -	3,030	0
	8. ..	Cash paid Guard - - - - -	38	0
	10. ..	Cash paid Munsa Ram's allowance for Shuwaul - - - - - -	40	0
	11. ..	Paid your draft in favour of Mr. William Currie - - - - - - -	10,919	5
	12. ..	Cash *on draft* - - - - - -	8,000	0
	4. ..	Pensions of the Johnstones for Shuwaul	483	8
	14. ..	Ukhee Ram, *paid in part* 13,000 *rupees* -	4,000	0
	..	Rajah Shum Pershaud, *on draft*, 28th Shuwaul - - - - - - -	25,000	0
	..	Mr. E. Gordon for Miss Danza's pension, 24th Shuwaul - - - - - -	50	0
	..	Jewellery in Rumzaun. *Vide reference sheet page* 1 - - - - - -	10,882	2
	17. ..	Feed of elephants - - - - -	107	12½
	10. ..	Gopaul Dos Ranchoor Dos, *on draft* -	1,00,000	0
	..	Interest to Kurar Noaj Khan, 30th Zehijj	605	4
	19. ..	Paid your draft on us this day - - -	18,000	0
	20. ..	Cash, *in full two payments on account Kurar Noaj Khan* - - - - -	394	12
Zechijj.	4. ..	Cash paid Joze Pereira, *draft in his favour*	389	0
	6. ..	Paid your draft in favour of Mr. James Ralph - - - - - - -	4,250	0
	7. ..	Cash paid Guard - - - - - -	44	0
	..	Huzareemul Deenanath, draft on us for purchases, 29th Zeekaud - - -	7,400	0
	5. ..	Mr. H. Russell, draft for medicines -	25,655	9
	..	Jewellery in Zeekaud. *Vide reference sheet pages* 1 *and* 2 - - - - -	60,331	0
	..	One pearl sirputta, 3d Zeekaud - -	11,000	0
	14. ..	Kurar Noaj Khan, cash paid him, *an account monthly payments* - - -	10,000	0
	16. ..	Cash paid Kurar Noaj Khan, *an account monthly payments* - - - -	2,573	12
	..	Interest on Kurar Noaj Khan's drafts, 30th instant and 30th Rubbee ool awul	426	4
	..	Mr. E. Gordon for Miss Danza's pension, 24th Zeekaud - - - - -	50	0
	..	Cash paid sundries:		
		A party of Major Gordon's late Battalion: From Jemadee ool awul 1234 to Shuwaul following - - - - 990 0		
		From Zeekaud 1233 to Shuwaul 1234, twelve months - - 1,980 0		
		From Zeekaud 1234 to Shuwaul 1235, twelve months - 1,860 0		
		A party of Captain Fonsce's Sepoys: From Zeekaud 1234 to Shuwaul 1235, twelve months - 3,588 9		
		A party of Hussun Mahomed, Captain Robinson's late Battalion: From Zeekaud 1234 to Shuwaul 1235, twelve months - 994 0		
		A party of Syud Mookdoom, Captain Robinson's Battalion: From Zeekaud 1234 to Shuwaul 1235, twelve months - 793 0		
		Sheikh Ahmud's Poorby Battalion: From Zeekaud 1234 to Shuwaul 1235, twelve months - 427 9¼	10,633	2¼
		Carried forward -	36,23,299	14¾

H. 1235 :—F. 1230.			Hyderabad Rupees.	A.
Shuwaul	17.	By cash from Meer Moossa Khan - -	5,000	0
	..	Kurar Noaj Khan's draft - - -	43,375	0
	30. ..	Raee Nanuck Ram - - - -	15,000	0
Zeekaud. . .	..	Ukhee Ram:		
		5th instant - - 14,000 0		
		7th instant - - 31,000 0		
		8th instant - - 17,000 0		
			62,000	0
	..	Ruffaat-ool Moolk:		
		2d Zeekaud - - 400 0		
		3d Zeekaud - - 15,250 0		
		4th Zeekaud - - 4,750 0		
		5th Zeekaud - - 5,000 0		
		6th Zeekaud - - 15,000 0		
			40,400	0
	1. ..	Kurar Noaj Khan for Oomnabad -	2,000	0
	9. ..	Received from Ruffaat-ool Moolk -	14,000	0
	..	Received on account Ruffaat-ool Moolk:		
		10th instant - - 9,500 0		
		11th instant - - 11,943 7½		
			21,443	7½
Zeehijj.	1. ..	Kurar Noaj Khan - - - -	2,000	0
	..	Raee Nanuck Ram, 30th Zeekaud -	78,027	4
	..	Ruffaat-ool Moolk:		
		16th Zeekaud - - 1,500 0		
		18th Zeekaud - - 1,700 0		
		3d Zeehijj - - 300 0		
			3,500	0
	30. ..	Kurar Noaj Khan - - - -	41,375	0
	..	Aurungabad firm on account pensions at your debit:		
		Captain Lenides - - 400 0		
		Mrs. Wheeler and children 300 0		
		Mr. Gordon and family - 1,165 8		
			1,865	8
	..	Bunkutty Doss sait for item at your debit - - - - - - -	10,000	0
Suffer	2. ..	Meer Moossa Khan - - - -	5,000	0
	..	Your new account transferred amounts Rs. 52,00,000 + Rs. 8,00,000, 30th Shuwaul 1235 - - - -	60,00,000	0
	29. ..	Kurar Noaj Khan's draft on us - -	34,287	6¾
Rubbee oo sanee	4. ..	Raee Nanuck Ram - - - -	17,000	0
	..	Third kist of a tunkha, on Raee Bal Chund, 29th Rubbee ool awul -	50,000	0
	4. ..	Raee Nanuck Ram - - - -	270	0
	1. ..	Kurar Noaj Khan's draft on us - -	34,287	6¾
	19. ..	Hoondie received from Raee Bal Chund	10,000	0
	15. ..	Hoondie received from Ruffaat ool Moolk, *per draft Rupees* 1,45,000 -	50,000	0
	28. ..	Hoondie received from Raee Bal Chund	15,000	0
	..	Ruffaat-ool Moolk, transfers from following dates:		
		Per draft Rupees 1,45,000. 12th Mohurrum - 1,200 0; 7th Shuwaul 1235 - 100 0; 3d Suffer - - 10,150 0; 12th Suffer - - 4,800 0; 17th Suffer - - 1,000 0; 21st Suffer - - 750 0; 26th Suffer - - 500 0; 1st Rubbee ool awul 2,000 0; 2d Rubbee ool awul - 5,000 0; 8th Rubbee ool awul 1,000 0; 11th Rubbee ool awul 7,000 0; 25th Rubbee ool awul 53,072 13; 23d Rubbee ool awul 50 0; 26th Suffer H. 1236 - 300 0; 25th Rubbee ool awul 481 13; 27th Rubbee ool awul 1,300 0; 2d Rubbee oo sance - 700 0; 8th Rubbee oo sance 250 0		
			89,654	10
	30. ..	Ruffaat ool Moolk, *par draft* 1,45,000 *rupees* - - - - - - -	471	10
	..	Moneer ool Moolk, *per draft* 1,45,000 *rupees* - - - - - - -	4,873	12
	..	Hoondie received from Raee Bal Chund, 2d Rujeb - - - -	18,000	0
Jemadee oo sance	15. ..	Received on account Raee Bal Chund	95,600	0
		Carried forward -	67,64,431	1

These payments at the Rajah's debit are made on his tunkha on Kurar Noaj Khan for Rupees 1,37,149. 10½., and placed to the Rajah's credit as

[Account A.—Folio 36.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr.

			Hyderabad Rupees.	A.
H. 1235 :— F. 1230.		Brought forward -	36,23,299	14¾
Zeehijj ..	18.	To cash paid your draft in favour of Khyr ood Deen's sons - - - - -	166	10½
	23. ..	Mrs. Wheeler's pension, per contra -	300	0
	..	Captain P. Lenide's pension, per contra	400	0
	..	Paid draft on us for guard, 30th Shuwaul	320	0
	4. ..	Pensions of the Johnstones for last month	483	8
	23. ..	Mr. E. Gordon's pension, per contra -	1,165	8
H. 1236.				
Mohurrum	1. ..	Cash paid for feed of elephants, *on draft*	743	3
	3. ..	Cash paid guard - - - - - -	32	0
	12. ..	Paid draft on us for feed of elephants -	64	13
	14. ..	Cash paid Syud Mahomed for Zeehijj -	100	0
	15. ..	Paid your draft on us in favour Foote Khan - - - - - - -	3,100	0
	..	Mr. E. Gordon, for Miss Danza's pension, 22d Zeehijj - - - - -	50	0
	..	Paid your draft on us in favour Venkoo-shah Gungee Dos, 10th Shubaun -	15,000	0
	..	Interest on draft, 5th Zeehijj - -	128	4¼
	..	Jewellery in Zeehijj. *Vide Reference-sheet, p.* 2 - - - - - -	76,054	9
Suffer	1. ..	Paid your draft in favour of Goorum R. Singh - - - - - - -	300	0
	2. ..	Cash paid Syud Mahomed - - -	100	0
	..	Pensions of the Johnstones for Zeehijj and Mohurrum - - - - -	967	0
	6. ..	Hyderabad Turf Club - - - -	2,000	0
	..	Hajee Ali Buksh for 26,000 bricks, 27th Mohurrum - - - - -	195	0
	7. ..	Cash paid guard - - - - - -	28	0
	4. ..	Mr. James Ralph, paid draft in his favour	2,550	0
	..	Mr. E. Gordon, for Miss Danza's pension for Mohurrum - - - - -	50	0
	11. ..	Imrut Race, paid your draft in his favour	1,836	12
	..	A paundan, &c. - - - - - -	17,000	0
	14. ..	Manic Chund Mooltan - - - -	14,000	0
	..	Interest on account to 30th Shuwaul H. 1235 - - - - - - -	1,55,770	11½
	..	Sundries, paid their allowances to 15th Zeekaud 1235 - - - - - -	1,22,033	0
	..	Compensation on loan, and premium on interest reduced, 15th Zeekaud 1235 -	8,00,000	0
	..	Race Nanuck Ram, on account purchase of rice, 1st Shabaun - - - -	14,000	0
	..	Persian College, 30th Shuwaul - -	1,800	0
	..	Hukeem Shuffiee Khan, 30th Shuwaul	3,000	0
	..	Rungum, 30th Shuwaul - - -	90	0
	..	Mr. M'Culloch, 30th Shuwaul - -	1,200	0
	..	Aurungabad firm, transferred balance due us, with interest, Rs.1,08,513. 11½, 30th Shuwaul - - - - -	13,18,669	8¾
	..	Berar Suwars, their account closed, ditto	20,57,219	7
	..	Ram Baee, *on Dust Khuttee bund* - -	1,720	0
	..	Jewellery last month - - - -	10,515	4
	2. ..	Paid your draft in favour of Joylee Pur-shad - - - - - - - -	10,000	0
Rubbee ool awul	4. ..	Cash paid Syud Mahomed - - -	100	0
	..	Shums-ool Oomrah, *on account Kurar Nooj Khan Ahakam on him*, 27th Mo-hurrum - -	13,000	0
	9. ..	Cash paid guard - - - - - -	49	0
	..	Jewellery in Suffer, with addition of one har (Rs. 250), omitted in account in Zeehijj - - - - - - -	1,622	0
	19. ..	Cash, *in part monthly payment Rs.*13,000	10,000	0
	..	Cash paid sepoys, 15th Mohurrum	40	0
Rubbee oo sanee	4. ..	Cash paid Syud Mahomed - -	100	0
	..	Cash paid guard - - - - -	44	0
	5. ..	Mr. P. Jolla, paid your draft in his favour	2,000	0
	15. ..	Mooner-ool Moolk, *draft on us in his favour cancelled per four credits marked*	1,45,000	0
	..	Jewellery last month - - - -	323	8
Jemadee oo awul	1. ..	Cash paid Syud Mahomed - -	100	0
	4. ..	Cash paid guard - - - - -	44	0
	..	Mr. E. Gordon, for Miss Danza's pen-sion two months - - - -	100	0
	..	One pair nouruttuns, one har, and one sirpainch, 30th Rubbee oo sanee -	2,263	0
	5. ..	Cash paid guard - - - - -	44	0
	..	Jewellery last month - - - -	7,507	0
	15. ..	Cash paid to the Mouluvee's sons - -	100	0
	..	Mr. E. Gordon, for Miss Danza's pension	100	0
	..	Hyderabad Turf Club - - - -	2,000	0
	25. ..	Mr. Ralph, paid your draft in his favour	3,400	0
		Carried forward - Rupees	84,46,419	9¼

Cr.

			Hyderabad Rupees.	A.
H. 1236 :— F. 1230.		Brought forward -	67,64,431	1
Jemadee oo sanee	—	By transfers of items at your debit:		
		6th Zeekaud - Rupees	12,740 0	
		12th Zeekaud - -	8,000 0	
		14th Zeekaud - -	4,000 0	
		20th Zeekaud - -	394 12	
		14th Zeehijj - -	10,000 0	
		16th Zeehijj - -	2,573 12	
		30th Zeehijj, interest at your debit - -	1,291 8	
		27th Mohurrum - -	13,000 0	
		19th Rubbee ool awul -	10,000 0	
		14th Jemadee ool awul	14,000 0	
			76,000 0	
		Deduct two kists already at your credit:		
		30th Zeehijj 34,287 6¾		
		1st Rubbee oo sanee 34,287 6¾		
		₹ ———	68,574 13½	
		₹	——— 7,425 2½	
		By sundries :—		
		Mouluvee Khyr ood Deen, 1st Zeekaud 1235 - -	3,600 0	
		Kurar Nooj Khan's draft, 19th Rumzaun - -	1,00,000 0	
		Your sepoys' account at their credit, 16th Mohurrum -	364 0	
			——— 1,03,964 0	
Rumzaun 11.	..	Ukhee Ram's draft on Rajah Beer Ban, in part - - - - - - -	10,835 0	
	12. ..	Draft on Rajah Beer Ban - - - -	39,665 0	
	..	Sundries, for excesses carried to your debit :—		
		Resident's treasury, 9th Shabaun - Rs.	499 13	
		Profit and loss -	10 0	
			——— 509 13	
		Carried forward - Rupees	69,26,340 0¼	

(Signed) WM. PALMER and Co.

[Account A.—Folio 37.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co. *HYDERABAD.*

Dr.

H. 1226 : — F. 1230.		Hyderabad Rupees.	A.
	Brought forward -	84,46,419	9¼
Rujeb.... 3.	To cash paid the Mouluvee's sons - -	100	0
7.	.. Cash paid guard - - - - -	44	0
6.	.. Purchase of an elephant - - -	1,300	0
	.. Jewellery in Jemadee oo sanee - -	9,688	0
12.	.. Cash paid sepoys - - - - -	40	0
14.	.. Mr. Ogilvie's draft for making up sepanees	500	0
	.. Mr. E. Gordon for Miss Danza's pension, 27th Jemadee oo sanee - - -	50	0
14.	.. Cash paid guards - - - - -	52	0
	.. Captain H. Robinson, from 17th Suffer to 17th Rujeb - - - - -	2,901	0
Shabaun.. 6.	.. Cash paid guard - - - - -	44	0
	.. Purchases in Rujeb. *Vide Reference-sheet, pages 2 and 3* - - - - -	16,030	14
9.	.. Cash paid the Mouluvee's sons - -	100	0
13.	...Cash paid guard - - - - -	48	0
	.. Resident's treasury draft of 9th Rujeb - - Rs. 1,68,557 12 Premium in Bagh C. Rs. 3,371 2½	1,71,928	14½
17.	.. Captain H. Robinson, for Rujeb - -	483	8
	.. Persian College, 30th Rubbee oo sanee -	1,800	0
	.. Hukeem Shuffaee Khan, 30th Rubbee oo sanee - - - - - - -	3,000	0
	.. Mr. M'Culloch, 30th Rubbee oo sanee -	1,800	0
	.. Ball Kishun Dos Kuveesud, five months' allowance, 30th Rubbee oo sanee -	250	0
	.. Hurree Dos Pursotum Dos, present 30th Rubbee oo sanee - - - - -	100	0
	.. Ram Baee, 30th Rubbee oo sanee -	1,800	0
	.. Bunketty Dos, 30th Rubbee oo sanee -	480	0
	.. Interest and exchange, 30th Rubbee oo sanee :— *Transfer on Aurungabad balance* -. Rs. 26,373 6 *Interest on account* - 1,84,416 0¼	2,10,789	6¼
	.. Rungum, 30th Rubbee oo sanee - -	90	0
	.. Sales general transferred per sales book, from 30th Rumzaun 1235, to 30th Rubbee oo sanee - - - - -	60,943	2½
Rumzaun 4.	.. Cash paid guard - - - - -	44	0
	.. Cash paid guard of seikhs - - -	48	0
8.	.. Cash paid the Mouluvee's sons - -	100	0
11....	Cash paid draft for a guard - - -	56	0
13.	.. Cash paid guard - - - - -	36	0
	.. Jewellery in Shabaun - - - -	23,067	6¾
17.	.. Captain H. Robinson for Shabaun -	483	8
	.. Mr. E. Gordon, for Miss Danza's pension, 27th Rujeb and 29th Shabaun -	100	0
	.. Jewellery this month - - - -	27,262	15¾
	.. Cash paid the Hajee for bricks - -	399	8
29	.. Sales general, transfer from sales book to this date, timber, as per account sales, p. 10 - - - - - - -	30,406	10
	Rupees	90,12,786	7

Cr.

H. 1236 : — F. 1230.		Hyderabad Rupees.	A.
Rumzaun 29.	By amount brought forward - -	69,26,330	0½
	By Balance - - - - - -	20,86,456	6½
	Rupees	90,12,786	7

[Account A.—Folio 38.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr.

H. 1236:— F. 1231.			Hyderabad Rupees.	A.
Shuwaul..	1.	To balance brought forward	20,86,456	6½
	4.	To Cash paid guards	92	0
	17. ..	Captain H. Robinson for Rumzaun	483	8
	..	Hukeem Shuffaee Khan, draft 2d Rumzaun	2,232	0
	20. ..	Cash paid the Mouluvee's sons	50	0
	22. ..	Cash paid the Mouluvee's sons in full	50	0
	..	Miss Danza's pension, 30th Rumzaun	59	0
	..	Shums-ool Oomrah, *items at credit by error, marked*	43,600	0
	29. ..	Mr. James Ralph, paid your draft in his favour	3,400	0
Zeekaud ..	3. ..	Cash paid guard	44	0
	7. ..	Cash paid guard of seikhs	48	0
	8. ..	Cash paid the Mouluvee's sons	100	0
	12. ..	Paid draft in favour of Mahomed Nassir for Madras Rupees 200; exchange at 25	250	0
	..	Jewellery last month	3,929	0
	6. ..	Serjeant W. Fish, paid your draft in his favour for four months' pay	200	0
	19. ..	Captain H. Robinson for Shuwaul	483	8
	2. ..	Miss Danza's pension	50	0
Zeehijj	3. ..	Cash paid guard	92	0
	..	Purchase of camels, 29th Zeekaud	550	0
	7. ..	Cash paid the Mouluvee's sons	100	0
	3. ..	Miss Danza's pension	50	0
	19. ..	Captain H. Robinson for Zeekaud	483	8
	..	Jewellery for last month	2,160	0
H. 1237. Mohurrum	1. ..	Cash paid guard of seikhs	48	0
	4. ..	Cash	44	0
	..	Purchases in Zeehijj, *per Reference-sheet, page 3*	10,256	0
	3. ..	Miss Danza's pension	50	0
	15. ..	Mr. J. Ralph, paid your draft in his favour	2,550	0
	17. ..	Captain H. Robinson for Zeehijj	483	8
	19. ..	Cash paid Rehmut Ali	22	9½
Suffer	1. ..	Cash paid guard of seikhs	48	0
	4. ..	Cash paid two months' allowance to the Mouluvee's sons	200	0
	4. ..	Cash	41	0
	9. ..	Cash paid Resident's treasury	17,312	0
	..	Jewellery last month, *per Reference-sheet, page 5*	20,442	12
	4. ..	Miss Danza's pension	50	0
	15. ..	Cash paid Resident's treasury	2,688	0
	19. ..	Cash paid sepoys	30	0
	..	Sundries, their allowances to 30th Shuwaul H. 1236 - Rs. 10,722 10		
	..	Sundries, their allowances to 29th Zeekaud H. 1236 1,37,628 6		
	..	Interest on account to 30th Shuwaul H. 1236 - 2,29,890 10¾		
			3,78,241	10¾
	17. ..	Captain H. Robinson for Mohurrum	483	8
	22. ..	Hyderabad Turf Club, paid draft for purchase of a tent	2,500	0
	23. ..	Birjruttan Dos, paid draft on us	49,410	0
	25. ..	Aga Boozurg } *Draft Rs. 2,500 for*	1,500	0
	..	Aga Mookhtiar } *purchase of horses*	1,000	0
Rubbee ool awul	2. ..	Cash paid guard	48	0
	3. ..	Cash paid in part draft in favour of Mohummud Syud Khan	500	0
	..	Cash paid guard	44	0
	..	Roogunath Dos, *on draft*, 30th Shuwaul	10,000	0
	7. ..	Mrs. Finglass, paid your draft in her favour	11,571	8½
	15. ..	Cash paid Syud Mohummud Khan	400	0
	..	Sales general, transferred from sales book for purchases in Shuwaul (entry omitted in Suffer)	2,091	0
	15. ..	Cash paid the Mouluvee's sons	100	0
	17. ..	Captain H. Robinson	483	8
	19. ..	Cash paid in full draft in favour of Syud Mohummud Khan	200	0
	5. ..	Miss Danza's pension	50	0
		Carried forward - Rupees	26,59,446	8¾

Cr.

H. 1236:— F. 1231.			Hyderabad Rupees.	A.
Shuwaul..	14.	By sundries on account Mahomed Shuffaee Khan, *per draft Rs.* 43,600	19,600	0
	16.	Cash received from Shums-ool Oomrah, *per draft Rs.* 43,600	7,750	0
	17. ..	Cash received from sundries:—		
		Karee Moongee Yenkut Rao, *per draft Rs.* 43,600 - Rs. 8,000 0		
		Shums-ool Oomrah, *per draft Rs.* 43,600 - 6,250 0		
			14,250	0
	19. ..	Mugna Ram Huthee Sing, on account Huttoonorra, *per draft Rs.* 43,600	1,760	0
	23. ..	Cash, *per draft Rs.* 43,600	240	0
	27. ..	Cash from Race Bal Chund, *per draft Rs.* 50,000	18,994	0
	..	Sundries on account Race Bal Chund, *per draft Rs.* 50,000, 1st Zeekaud and 1st Rumzaun	26,491	0
	..	Karee Moongee Yenkut Rao	40,096	0
	..	Cash in full from Race Bal Chund, *per draft Rs.* 50,000, 1st Rubbee oo sanee	4,515	0
Zeekaud ..	1. ..	Draft on Rajah Govind Buksh	36,800	0
	..	Captain H. Robinson, for amount paid to the Johnstones, credited to him, Suffer	483	8
	..	Kishen Dos Hurjeerun Dos, 11th Rujeb	56	0
	..	Kurar Noaj Khan's tunkhas for item at his credit of this account, by error	9,800	0
	..	Aurungabad firm, cash paid by us on your account with the Resident's treasury, 9th Suffer - Rs. 17,312 0		
		15th Suffer - 2,688 0		
			20,000	0
H. 1237..				
Rubbee oo sanee	2.	Cash paid in part first kist in Karee Moongee Yenkut Rao	20,000	0
	30. ..	First kist of a tunkha on Race Bal Chund	90,000	0
	7. ..	First kist of a tunkha on Karee Moongee Yenkut Rao	20,000	0
	19. ..	Kist of a tunkha on Karee Moongee Yenkut Rao	15,000	0
	29. ..	Kist of a tunkha on Karee Moongee Yenkut Rao	20,000	0
Jemadee ool awul	15. ..	Draft on Race Chotum Loll	70,000	0
	..	Draft on Karee Moongee Yenkut Rao, 20th and 21st instant	20,000	0
	..	Kurar Noaj Khan, 30th Rubbee ool awul	1,25,000	0
	11. ..	Draft on Karee Moongee Yenkut Rao	11,000	0
	..	Received on account of Karee Moongee Yenkut Rao:—		
		22d Rujeb - Rs. 5 100 0		
		27th Rujeb - 3,950 0		
		1st instant - 10,500 0		
		2d instant - 25,000 0		
			44,550	0
	6 ..	Muhomed Ram Girdaree Loll	10,000	0
	30. ..	Gunsham Dos	30,000	0
Rujub. ..	19. ..	Aurungabad firm, realized tunkha on Race Chotum Loll, due end of Rubbee ool awul	1,00 000	0
Shabaun..	21. ..	Cash received from Karee Moongee Yenkut Rao	12,000	0
	..	Kurar Noaj Khan, 29th Rujeb	75,000	0
Rumzaun	15. ..	Received on account Karee Moongee Yenkut Rao	10,000	0
Shuwaul ..	4. .	Cash received from Karee Moongee Yenkut Rao	3,000	0
	8. .	Chitties on Karee Moongee Yenkut Rao	8,000	0
		Carried forward Rupees	8,84,385	½

(Signed) WM. PALMER and Co.

[Account A.—Folio 39.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.

HYDERABAD.

Dr.

H. 1237 : — F. 1231.			Hyderabad Rupees.	A.
		Brought forward -	26,59,446	8¾
Rubbee ool awul	24.	To cash paid sepoys - - - - -	500	0
		.. Jewellery last month - - - -	795	0
	26.	.. Cash paid Syud Mahomed Khan in part	407	0
	28.	.. Captain Watkins, draft for your subscription to the Raees - - - -	2,000	0
Rubbee oo sanée	1.	.. Cash paid to Syud Mahomed Khan -	150	0
		.. Serjeant W. Fish, paid draft for five months' pay in his favour to 29th Rubbee ool awul - - - -	250	0
	3.	.. Cash paid guard of seikhs - - -	92	0
		.. Cash paid draft in favour of Shurff ood Deen Khan - - - - -	2,000	0
		.. Mrs. Finglass, paid your draft on us in her favour, 12th Rubbee ool awul -	15,000	0
	7.	.. Cash paid Syud Mahomed Khan in full	126	12
		.. Cash paid the Mouluvee's sons - -	100	0
	10.	.. Rehmut Ali Khan, paid draft on us -	6,000	0
	11.	.. Meer Birdrood Deen, paid draft - -	350	0
		.. Gunsham Dos, for cash at your credit :—		
		On account of Raee Bal Chund — Items cancelled per crs. marked. 17th Shuwaul - *Dr.* / 17th Zeekaud - *Cr.* Rupees 18,994 0		
		1st Rubbee oo sanee *Dr.* / 1st Zeehijj - *Cr.* 26,491 0		
		1st Rubbee oo sanee *Dr.* / 1st Zeehijj - *Cr.* 4,515 0		
			50,000	0
	19.	.. Captain H. Robinson for Rubbee ool awul - - - - - - -	483	8
	10.	.. Cash paid feed of elephants - - -	200	0
		.. Cash paid in advance for feeding elephants, *on drafts*, 19th Mohurrum -	187	5
	22.	.. Mr. J. Ralph, paid your draft in his favour - - - - - - -	2,550	0
		.. Jewellery in Rubbee ool awul - -	4,498	0
Jemadee ool awul	2.	.. Cash paid guard of seikhs - - -	50	0
	4.	.. Cash paid guard - - - -	44	0
		.. Jewellery last month - - - -	6,212	0
	17.	.. Captain H. Robinson - - - -	483	8
	21.	.. Paid draft for purchase of glass ware -	3,856	0
Jemadee oo sanee	2.	.. Paid draft for purchase of five camels -	1,000	0
		.. Cash paid guard of seikhs - - -	50	0
	3.	.. Cash paid guard - - - -	44	0
	1.	.. Izzut Buksh, paid your draft on us in his favour - - - - - -	6,352	0
		.. Purchase of a camel - - - -	200	0
		.. Jewellery last month - - - -	10,305	8
	17.	.. Captain H. Robinson - - - -	483	8
		.. Mouluvee Khyr ood Deen, 19th Jemadee oo sanee - - - - - -	200	0
	29.	.. Shurff ood Deen Khan, paid your draft on us - - - - - - -	1,251	4
Rujeb....	2.	.. Cash paid guard of seikhs - - -	50	0
	3.	.. Cash paid guard - - - - -	44	0
		.. Mahomed Ruffee ood Deen, *draft in his favour*, 30th Mohurrum - - -	1,600	0
	17.	.. Captain H. Robinson, for Jemadee oo sanee - - - - - - -	483	8
	24.	.. Mr. J. Ralph, paid your draft in his favour - - - - - - -	2,550	0
Shabaun ..	3.	.. Cash paid guards - - - - -	94	0
	9.	.. Serjeant W. Fish, paid draft in his favour	200	0
		.. Jewellery in Jemadee oo sanee and Rujeb	5,389	2
		.. Gopal Dos, 30th Rubbee oo sanee -	21,240	0
		.. Sundries paid their allowances to *Persian College, Mr. M'Culloch, Hukeem Shuffaee Khan*, 30th Rubbee oo sanee	8,446	0
		.. Moonshee Jowler Pershaud, paid draft in his favour, 1st Suffer - - -	35,617	3
		.. Cash paid seikhs, 30th Suffer - -	289	0
		.. Cash paid sepoys, 30th Rubbee oo sanee	480	0
		.. Sales general, transferred from sales book to end of Rumzaun 1236, p. 13 -	50,031	8¾
		.. Interest. On account tunkha, by Raee Nanuck Ram - - Rs. 7,720 6		
		On your own account, balance due, Rs. 26,71,377. 6, to 30th Rubbee oo sanee - - - 2,86,990 3½		
			2,94,711	0½
	17.	.. Captain H. Robinson for Rujeb - -	483	8
		Carried forward - Rupees	31,97,376	12

Cr.

H. 1236 : — F. 1231.		Hyderabad Rupees.	A.
	Brought forward -	8,84,385	8
	Carried forward - Rupees	8,84,385	8

[Account A.—Folio 40.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr.

H. 1237 :— F. 1231.			Hyderabad Rupees.	A.
		Brought forward -	31,97,376	12
Rumzaun	1.	To Cash paid seikhs - - - - - -	50	0
	5.	.. Cash paid guard - - - - - -	44	0
		.. The Mouluvee's sons paid allowances 4th Rujeb, 19th Shabaun, and 13th Rumzaun	300	0
	13.	Rehmet Ali Khan transferred item at his debit in cash - - - - -	100	0
		.. Jewellery in Shabaun - - - - -	6,490	5½
	17.	.. Captain H. Robinson, for Shabaun -	483	8
	18.	.. Cash advanced sepoys, and for feed of elephants, *on draft* - - - - - -	3,099	9
		.. Messrs. Gordon and Co. payments made Miss Danzas' on account pension - -	300	0
	27.	.. Cash paid draft on account guard - -	1,000	0
	17.	.. Mahomed Syud Khan paid draft on us -	3,000	0
Shuwaul	3.	.. Cash paid guards - - - - - -	94	0
		.. Jewellery in Rumzaun, *per Reference-sheet, page* 3. - - - - - - -	17,023	1
	9.	.. Sales general, transferred from sale book to this date, account sales, page 15. -	24,752	6
		Rupees	32,54,113	9½

Cr.

H. 1237 :— F. 1231.			Hyderabad Rupees.	A.
Shuwaul	8.	By amount brought forward - - -	8,84,385	8
	30.	.. Balance - - - - - - -	23,69,728	1½
		Rupees	32,54,113	9½

(Signed) WM. PALMER and Co.

[Account A.—Folio 41.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.

HYDERABAD.

Dr. *Cr.*

H. 1237 :— F. 1231.			Hyderabad Rupees.	A.
Zeekaud ..	1.	To balance - Brought forward	23,69,728	1½
Shuwaul...	11.	.. Cash paid the Mouluvee's sons	100	0
	17.	.. Captain H. Robinson for Rumzaun	433	8
	10.	.. Miss Danza's receipt for her pension	50	0
Zeekaud ..	1.	.. Cash	50	0
	2.	.. Cash paid guard	44	0
Zeehijj.....	3.	.. Cash paid guard of seikhs	50	0
	4.	.. Cash paid guard	44	0
		.. Jewellery in Shuwaul	4,864	0
		.. Jewellery in Zeekaud	7,959	0
H. 1238.				
Mohurrum	1.	.. Cash paid guard	44	0
	2.	.. Cash paid guard of seikhs	50	0
Suffer,.....	3.	.. Cash paid guard of seikhs	50	0
	5.	.. Cash paid guard	44	0
		.. Jewellery in Zeehijj and Mohurrum	9,396	4
		.. Interest on account to 30th Shuwaul - - - 2,93,789	1¼	
		.. Sales General from sales-book to 30th Shuwaul - 3,978	14	
		.. Mr. James M'Culloch to 30th Shuwaul - - 360	0	
		.. Tunkhas of sundries to 30th Shuwaul - - 1,33,744	4	
		.. Persian college to 30th Shuwaul - - - 1,800	0	
		.. Hukeem Shuffaee Khan to 30th Shuwaul - - 3,000	0	
		.. Bal Kishun Dos Kurweshur to 30th Shuwaul - 300	0	
		.. Bunketty Dos, *palanquin allowance* to 30th Shuwaul 480	0	
		.. Kishen Dos, Pursotun Dos, *palanquin allowance* to 30th Shuwaul - - 336	0	
			4,37,788	3¼
Rubbee ool awul		.. Transfer of items at your credit, *viz.* Rs. 21,125 and Rs. 12,000 3d Rubbee ool awul - - - - - -	33,125	0
		.. Jewellery in Suffer - - - -	4,830	2
Rubbee oo sanee	3.	.. Cash paid guards - - - -	94	0
Jemadee ool awul	2.	.. Cash paid guard of seikhs - -	50	0
	3.	.. Cash paid guard - - - -	44	0
		.. Jewellery in Jemadee ool awul, per account four months' credit, *per Reference-sheet, page* 4 - - - - -	13,907	3
		.. Jewellery in Jemadee oo sanee, per account four months' credit, *per Reference-sheet, page* 4 - - - - -	45,062	4
		.. Purchases of cloths, &c. in Zeekaud, *per Reference-sheet, page* 16 - -	12,474	9
		.. Purchases of cloths, &c. in Zeehijj, *per Reference-sheet, page* 16 - - -	3,940	12
		.. Purchases of cloths, &c. in Mohurrum, *per Reference-sheet, page* 16 - -	2,722	0
		.. Purchases of cloths, in Suffer, *per Reference-sheet, page* 17 - - -	14,320	3
		.. Purchases of cloths, &c. in Rubbee ool awul, *per Reference-sheet, page* 17 -	9,870	8
		.. Purchases of cloths, &c. in Rubbee oo sanee, *per Reference-sheet, page* 18 -	5,215	7½
		.. Purchases of cloths, &c. in Jemadee ool awul, *per Reference-sheet, page* 18 -	7,165	0
		.. Purchases of cloths, &c. in Jemadee oo sanee, *per Reference-sheet, page* 18 -	5,867	0
		.. Cash paid guard, 28th Jemadee oo sanee	94	0
		.. Purchases of Jewellery in Rubbee ool awul, omitted above - - -	6,813	12
		.. Purchases of Jewellery in Rubbee oo sanee, omitted above - - -	2,155	0
		.. Cash paid guard, omitted above, 4th Rubbee ool awul - - - -	94	0
		.. Cash paid guard, omitted above, 3d Jemadee oo sanee - - - -	94	0
			29,98,683	13¼
		.. A transfer at credit by error 16th Suffer	12,923	9½
		.. Purchase of timber per page 19 - -	5,012	6
Rubbee oo sanee	30.	.. Interest to this date - - - -	3,12,280	8¼
Shuwaul ..	20.	.. Interest to this date - - - -	3,03,387	15¾
		Hyderabad Rupees	36,32,288	4¾

H. 1237 :— F. 1231.			Hyderabad Rupees.	A.
Shuwaul...	30.	By amount received on account Rajah Govind Buksh - - - -	12,950	0
		.. Received on account Rajah Govind Buksh, 6th Zeehijj - - - -	5,000	0
Zeehijj	15.	.. Bunmallee Dos Dwarkas Dos on account second kist - - - -	500	0
	7.	.. Huzareemul Manie Chund on account second kist - - - - -	5,000	0
		.. Mahomud Ram Girdarree Loll on account second kist - - - -	2,000	0
H. 1238.				
Mohurrum .	1.	.. Amount received on account Karee Moongee Yenkut Rao - - -	35,000	0
	5.	.. Hoondie received on account Race Bal Chund - - - - - -	30,000	0
		.. Rajah Govind Buksh in full third kist, 1st Zeehijj - - - -	5,000	0
Suffer.....	2.	.. Amount received on account Karee Moongee Yenkut Rao - - -	2,000	0
	8.	.. Hoondies from Karee Moongee Yunkut Rao - - - - - -	12,025	0
		.. Hoondies from Karee Moongee Yenkut Rao on following dates:		
		1st Suffer - - - 2,505 0		
		2d Suffer - - - 1,000 0		
		7th Suffer - - - 2,500 0		
		12th Suffer - - - 1,280 0		
			7,285	0
Suffer	17.	.. Hoondies from Karee Moongee Yenkut Rao - - - - - -	875	0
Rubbee ool awul	3.	.. First kist of a tunkha on Sureedur Rao	21,125	0
		.. Cash from Juggut Singh - -	12,000	0
		.. Mr. William Palmer Nuzzurana, 30th Shuwaul - - - - -	18,000	0
		.. Runchor Dos, 24th Shuwaul - -	24,000	0
		.. Amount received in full of third kist on Karee Moongee Yenkut Rao, 2d Suffer - - - - -	365	0
		.. Race Chotum Loll, 16th Suffer:		
		In full of a tunkha - 30,000 0		
		Transfer - - 12,923 9½		
			42,923	9½
		.. Amount from Kurar Nooj Khan, third kist tunkha, F. 1231, 30th Suffer -	1,00,000	0
			3,36,048	9½
		(Signed) Wm. Palmer and Co.		
Rumzaun .	24.	.. Amount received from the Resident's treasury - - - - -	10,00,000	0
Shuwaul ...	9.	.. Amount received from the Resident's treasury - - - - -	10,00,000	0
			23,36,048	9½
Shuwaul...	21.	.. Balance due to us - - -	12,96,239	11¼
		Hyderabad Rupees	36,32,288	4¾

(Errors excepted.)

(Signed) Wm. Palmer and Co.

[Account A.—Folio 42.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr.

H. 1238.		Hyderabad Rupees.	A.
Shuwaul 21.	To balance due to us - - - - -	12,96,239	11¼
21. ..	Balance of interest to this date - -	2,110	0
..	Balance transferred to loan account -	50,418	4¾
	Hyderabad Rupees	13,48,768	0

Cr.

H. 1238.		Hyderabad Rupees.	A.
Shuwaul 23.	By amount our receipts this day - -	7,23,768	0
24. ..	amount our receipts this day - -	6,25,000	0
	Hyderabad Rupees	13,48,768	0

Hyderabad, 24th Shuwaul, H. 1238. } Errors excepted.

(Signed) WM. PALMER and Co.

(A true Copy)
(Signed) G. SWINTON,
Secretary.

[Account A, 1.—Folio 1.]

CLOTHS, &c. REFERENCE.

RAJAH CHUNDOO LOLL ..... *Dr.*

H. 1235.			Hyderabad Rupees. A.	Hyderabad Rupees. A.
Rumzaun 1.	To two pieces of petumber	Rs. 26 0		
	.. One single shawl	40 0		
			66 0	
3.	.. One pair of shawls	65 0		
	.. One pair of shawls	82 0		
			147 0	
7.	.. Two pieces of Punwarra selahs		32 0	
14.	.. One single shawl	42 8		
	.. One pair of shawls	82 0		
			124 8	
16.	.. Two pair of shawls		295 0	
17.	.. One pair of shawls		158 0	
18.	.. One pair of shawls	46 0		
	.. Five pairs of shawls	370 0		
	.. Two pairs of shawls	120 0		
	.. One pair of shawls	91 8		
			627 8	
20.	.. Two pieces of Punwarra selahs		32 0	
21.	.. Eight pieces of Punwarra selahs		128 0	
22.	.. Two pieces of Punwarra selahs		32 0	
25.	.. One pair of shawls	115 0		
	.. One pair of shawls	150 0		
			265 0	
26.	.. Two pieces of Punwarra selahs		32 0	
27.	.. Eight pieces of Punwarra selahs	128 0		
	.. One pair of shawls	350 0		
			478 0	
28.	.. One and a half pair of shawls	120 0		
	.. One pair shawls	150 0		
			270 0	
29.	.. Four pieces of Punwarra selahs	64 0		
	.. One pair of shawls	80 0		
	.. One single shawl	120 0		
			264 0	
				2,951 0
Shuwaul.. 3.	.. One pair of shawls		80 0	
6.	.. Two pair of shawls		197 0	
9.	.. Ten pieces of turbands		75 0	
12.	.. Two pair of shawls		293 0	
16.	.. One pair of shawls		170 0	
20.	.. One pair of shawls		75 0	
26.	.. Four pairs of shawls	371 0		
	.. Forty-five pieces of Punwarra selahs	720 0		
			1091 0	
25.	.. One pair of shawls		226 0	
30.	.. One pair of shawls		80 0	
				2,287 0
		Carried forward	Rupees	5,238 0

[Account A, 1.—Folio 2.]

CLOTHS, &c. REFERENCE.

RAJAH CHUNDOO LOLL .....*Dr.*

				Hyderabad Rupees. A.	Hyderabad Rupees. A.
		Brought forward			5,238 0
Zeekaud	1. To one pair of shawls			80 0	
	2. .. One single shawl			41 0	
	4. .. One piece of petumber	37 0			
	.. Two pairs of shawls	242 0			
			279 0		
	6. .. One pair of shawls			235 0	
	7. .. One and a half pair of shawls			141 0	
	8. .. One pair of shawls			83 0	
	10. .. Two pairs of shawls			179 0	
	11. .. One pair of shawls			80 0	
	12. .. One pair of shawls			72 0	
	17. .. One pair of shawls			80 0	
	21. .. One pair of shawls			36 0	
	26. .. Three pairs of shawls	217 0			
	.. One pair of shawls	46 0			
			263 0		
					1,569 0

Zeehijj 1. To Timber for ninety-seven logs, &c. :

Number 16	Rs.	240	0
Number 306		260	0
Number 7		236	10¼
Number 38		230	0
Number 56		262	0
Number 55		218	0
Number 48		215	0
Number 49		223	0
Number 310		235	0
Number 317		212	0
Number 45		222	8
Number 53		200	0
Number 51		204	0
Number 43		200	0
Number 126		66	4
Number 68		70	0
Number 112		66	0
Number 111		64	0
Number 108		63	4
Number 116		70	0
Number 101		64	0
Number 94		64	0
Number 90		62	0
Number 14		222	0
Number 20		220	0
Number 18		225	0
Number 16		203	0
Number 59		200	0
Number 37		230	0
Number 294		241	0
Number 304		228	0
Number 293		215	0
Number 298		230	0
Number 302		231	0
Number 309		200	0
	Carried forward	6,392 10¼	6,807 0

[Account A, 1.—Folio 3.

CLOTHS, &c. REFERENCE.

RAJAH CHUNDOO LOLL ..... *Dr.*

		Hyderabad Rupees. A.	Hyderabad Rupees. A.
	Brought forward	6,392 10¼	6,807 0
Zeehijj..... Number 305		204 0	
Number 307		221 0	
Number 308		220 0	
Number 312		223 0	
Number 316		222 0	
Number 5		250 0	
Number 7		212 8	
Number 3		230 0	
Number 9		231 0	
Number 8		212 0	
Number 24		210 0	
Number 25		208 0	
Number 41		230 0	
Number 27		224 0	
Number 15		228 0	
Number 32		217 0	
Number 44		225 0	
Number 42		224 0	
Number 31		242 0	
Number 22		220 0	
Number 35		222 10	
Number 19		235 0	
Number 1		196 2¼	
Number 2		215 0	
Number 3		233 0	
Number 4		195 0	
Number 5		180 0	
Number 6		220 0	
Number 7		215 0	
Number 8		200 0	
Number 9		218 0	
Number 10		195 0	
Number 11		220 0	
Number 12		235 0	
Number 13		232 0	
Number 14		191 0	
Number 15		180 0	
Number 16		181 0	
Number 17		190 0	
Number 315		218 0	
Number 276		65 0	
Number 268		63 0	
Number 270		75 0	
		205 0	
Number 172		68 12	
Number 209		65 0	
Number 138		60 0	
Number 243		73 0	
Number 245		73 0	
Number 242		70 0	
Number 149		75 0	
Number 155		64 0	
Number 191		67 0	
Number 196		195 0	
Number 283		68 0	
Number 227		63 0	
Number 228		67 0	
Number 193		70 0	
Number 335		71 0	
Number 288		68 0	
Number 289		65 0	
Number 290		67 8	16,776 10½
	Carried forward	16,776 10½	6,807 0

[Account A, 1.—Folio 4.]

CLOTHS, &c. REFERENCE.

RAJAH CHUNDOO LOLL ..... *Dr.*

			Hyderabad Rupees. A.		Hyderabad Rupees. A.
		Brought forward	16,776 10½		6,807 0
Zeehijj	To Eighty dauput nauts at twenty rupees each	1,600 0			
..	Seventy-one dauput nauts at nineteen rupees each	1,349 0			
		2,949 0			
..	One hundred sreemundums at ten rupees each	1,000 0			
..	Five dolkahs at seven rupees each	35 0			
			20,760 10½		
13. ..	One pair of shawls		112 0		
15. ..	One pair of shawls		150 0		
20. ..	Six pieces of Punwarra selahs		192 0		
21. ..	One pair of shawls	225 0			
..	Three pairs of shawls	550 0			
			775 0		
22. ..	Three pairs of shawls	618 0			
..	Seven pairs of shawls	1,445 0			
			2,063 0		
24. ..	One pair of shawls	225 0			
..	Two pairs of shawls	246 0			
..	One pair of shawls	200 0			
			671 0		
25. ..	One pair of shawls		76 0		
26. ..	One pair of shawls	160 0			
..	One pair of shawls	165 0			
			325 0		
29. ..	One pair of shawls		150 0		
30. ..	One pair of shawls	375 0			
..	One pair of shawls	236 0			
..	One pair of shawls	190 0			
..	One pair of shawls	270 0			
..	Two pairs of shawls	425 0			
..	One pair of shawls	239 0			
..	One pair of shawls	273 0			
..	One pair of shawls	332 0			
..	One pair of shawls	204 0			
.	One pair of shawls	245 0			
..	One pair of shawls	226 0			
	One pair of shawls	250 0			
..	Seven pairs of shawls	1,273 0			
..	Sixteen pairs of shawls	3,504 8			
	One pair of shawls	250 0			
			8,292 8		
					33,567 2½
H. 1236.					
Mohurrum 2. ..	Three and a half pairs of shawls		323 0		
3. ..	One single shawl		46 0		
4. ..	One pair of shawls		75 0		
5. ..	One single shawl	95 0			
.	One pair of shawls	130 0			
			225 0		
6. ..	Six and a half pairs of shawls	641 0			
..	Seven pairs of shawls	904 0			
..	One pair of shawls	85 0			
..	Two pieces of kimkhabs	385 0			
..	Eighty-two pieces of Punwarra selahs	1,285 0			
..	Twenty-one pieces of turbands	142 8			
..	Five pieces of kimkhabs	508 0			
			3,950 8		
		Carried forward	4,619 8		40,374 2½

[Account A, 1. Folio 5.]

CLOTHS, &c. REFERENCE.

RAJAH CHUNDOO LOLL ..... *Dr.*

H. 1235.				Hyderabad Rupees.	A.	Hyderabad Rupees.	A.
		Brought forward	- -	4,619	8	40,374	2½
Mohurrum	8. To one pair of shawls	- - - - - - - - -	Rs. 180 0				
	.. One single shawl	- - - - - - - - -	- 80 0				
	.. One pair of shawls	- - - - - - - - -	- 43 0				
	.. One pair of shawls	- - - - - - - - -	- 220 0				
				523	0		
	9. .. Three and a half pairs of shawls	- - - - - - - - -		293	0		
	11. .. One pair of shawls	- - - - - - - - -		95	0		
	12. .. One piece of kimkhab	- - - - - - - - -		194	0		
	15. .. One pair of shawls	- - - - - - - - -		38	8		
	17. .. Two pairs of shawls	- - - - - - - - -		226	0		
	19. .. One pair of shawls	- - - - - - - - -		370	0		
	20. .. One piece of kimkhab	- - - - - - - - -	- 190 0				
	.. Two pieces of Punwarra selahs	- - - - - - - - -	- 32 0				
	.. One piece of kimkhab	- - - - - - - - -	- 99 0				
	.. Eight pieces of Punwarra selahs	- - - - - - - - -	- 128 0				
				449	0		
	22. .. Two pairs of shawls	- - - - - - - - -		120	0		
	23. .. One piece of kimkhab	- - - - - - - - -		90	0		
	24. .. Two pairs of shawls	- - - - - - - - -		405	0		
	25. .. One pair of shawls	- - - - - - - - -		75	0		
	26. .. Two pairs of shawls	- - - - - - - - -		263	0		
	28. .. One pair of shawls	- - - - - - - - -		118	0		
	29. .. One pair of shawls	- - - - - - - - -	- 38 0				
	.. One pair of shawls	- - - - - - - - -	- 125 0				
				163	0		
						8,042	0
Suffer	1. .. One pair of shawls	- - - - - - - - -	232 0				
	.. Two pair of shawls	- - - - - - - - -	285 0				
	.. One pair of shawls	- - - - - - - - -	125 0				
	.. One pair of shawls	- - - - - - - - -	185 0				
				827	0		
	2. .. Two pairs of shawls	- - - - - - - - -		317	0		
	3. .. One pair of shawls	- - - - - - - - -		131	0		
	4. .. One pair of shawls	- - - - - - - - -		45	0		
	5. .. Two pairs of shawls	- - - - - - - - -		403	0		
	6. .. Two pairs of shawls	- - - - - - - - -		164	0		
	8. .. One pair of shawls	- - - - - - - - -		80	0		
	9. .. One and a half pair of shawls	- - - - - - - - -		130	0		
	10. .. Five pieces of Punwarra selahs	- - - - - - - - -		75	0		
	12. .. One pair of shawls	- - - - - - - - -		80	0		
	14. .. Two pairs of shawls	- - - - - - - - -		235	0		
	17. .. One pair of shawls	- - - - - - - - -	350 0				
	.. One piece of kimkhab	- - - - - - - - -	118 0				
	.. One piece of kimkhab	- - - - - - - - -	250 0				
	.. Twelve pieces of Punwarra selahs	- - - - - - - - -	204 0				
				922	0		
	19. .. One pair of shawls	- - - - - - - - -		120	0		
		Carried forward	-	Rupees 3,529	0	48,416	2½

[Account A, 1.—Folio 6.]

CLOTHS, &c. REFERENCE.

RAJAH CHUNDOO LOLL .....*Dr.*

H. 1235.					Hyderabad Rupees.	A.	Hyderabad Rupees.	A.
			Brought forward -		3,529	0	48,416	2½
Suffer	21.	To one piece of kimkhab - - - - - - -	Rs. 129	0				
		.. Two pairs of shawls - - - - - - -	529	0				
					658	0		
	22.	.. One pair of shawls - - - - - - - -			180	0		
	24.	.. One pair of shawls - - - - - - - -			230	0		
	25.	.. One pair of shawls - - - - - - -	70	0				
		.. One pair of shawls - - - - - - -	80	0				
					150	0		
	29.	.. One pair of shawls - - - - - - - -			120	0		
							4,867	0
Rubbee ool awul	1.	.. One pair of shawls - - - - - - - -			120	0		
	5.	.. One pair of shawls - - - - - - - -			180	0		
	8.	.. Three pairs of shawls - - - - - - -	415	0				
		.. One single shawl - - - - - - -	34	0				
		.. One piece of taffeta - - - - - - -	24	0				
					473	0		
	10.	.. One pair of shawls - - - - - - - -			225	0		
	12.	.. One pair of shawls - - - - - - - -			83	0		
	13.	.. One and a half pair of shawls - - - - - -			303	8		
	14.	.. One single shawl - - - - - - -	42	0				
		.. Four pieces of Punwarra selahs - - - - -	68	0				
					110	0		
	15.	.. One single shawl - - - - - - - -			43	8		
	16.	.. One single shawl - - - - - - - -			60	0		
	19.	.. Three pieces of kimkhabs - - - - - - -			581	0		
	20.	.. Two pieces of Punwarra selahs - - - - - -			30	0		
	24.	.. One pair of shawls - - - - - - - -			83	0		
	25.	.. Two pairs of shawls - - - - - - - -			320	0		
	28.	.. One pair of shawls - - - - - - - -			87	0		
	29.	.. One pair of shawls - - - - - - -	250	0				
		.. Two pieces of Punwarra selahs - - - - -	30	0				
					280	0		
							2,979	0
Rubbee oo sanee	2.	.. One pair of shawls - - - - - - -	180	0				
		.. One pair of shawls - - - - - - -	261	0				
					441	0		
	3.	.. One pair of shawls - - - - - - - -			90	0		
	4.	.. Four pieces of Punwarra selahs - - - - -			60	0		
	6.	.. Five pairs of shawls - - - - - - - -			428	0		
	9.	.. Two pairs of shawls - - - - - - - -			180	0		
	10.	.. One pair of shawls - - - - - - - -			94	0		
	12.	.. One pair of shawls - - - - - - - -			105	0		
	13.	.. One single shawl - - - - - - -			45	0		
	14.	.. Three pieces of Punwarra selahs - - - -			51	0		
	16.	.. One and a half pair of shawls - - - - - -			162	0		
	23.	.. Two pairs of shawls - - - - - - -			179	0		
	29.	.. One pair of shawls - - - - - - -			165	0.		
	30.	.. Seven pairs of shawls - - - - - - -	1,531	0				
		.. Five pairs of shawls - - - - - - -	925	0				
		.. One pair of shawls - - - - - - -	225	0				
					2,681	0		
							4,681	0
							Rupees 60,943	2½

7 Z

[Account A, 1.—Folio 7.]

CLOTHS, &c. REFERENCE.

RAJAH CHUNDOO LOLL .....*Dr.*

H. 1236.				Hyderabad Rupees. A.	Hyderabad Rupees. A.
Jemadee ool awul	1.	To one pair of shawls		84 0	
	2.	.. Four pieces of Punwarra selahs		136 0	
	3.	.. One piece of kimkhab	Rs. 232 0		
		.. One piece of kimkhab	200 0	432 0	
	8.	.. One piece of kimkhab	249 0		
		.. One piece of kimkhab	257 0		
		.. One single shawl	45 0		
		.. One pair of shawls	87 0		
				638 0	
	9.	.. One piece of kimkhab		624 0	
	11.	.. Twenty-two pieces of Punwarra selahs	374 0		
		.. Sixteen pieces of Punwarra selahs	242 0		
		.. Eleven pieces of Punwarra selahs	165 0		
		.. One pair of shawls	90 0		
				871 0	
	12.	.. Two pairs of shawls		361 0	
	13.	.. Two pieces of kimkhabs		145 0	
	17.	.. One pair of shawls	213 0		
		.. Two pairs of shawls	390 0		
				603 0	
	18.	.. One pair of shawls		90 0	
	19.	.. One pair of shawls		230 0	
	21.	.. One pair of shawls		106 0	
	22.	.. One pair of shawls		150 0	
	23.	.. One piece of kimkhab	270 0		
		.. Four pieces of Punwarra selahs	64 0		
				334 0	
	24.	.. Forty-four pieces of turbands		225 6	
	27.	.. Two pieces of kimkhabs		220 0	
	29.	.. One piece of kimkhab	287 0		
		.. One piece of kimkhab	300 0		
		.. One pair of shawls	335 0		
				922 0	
	30.	.. One pair of shawls		223 0	
					6,394 6
Jemadee oo sanee	4.	.. One pair of shawls		150 0	
	5.	.. One pair of shawls		190 0	
	6.	.. One pair of shawls		135 0	
	7.	.. One pair of shawls		145 0	
	9.	.. Two pairs of shawls		407 0	
	10.	.. Two pairs of shawls	262 0		
		.. Twelve Punwarra selahs	264 0		
		.. Two turbands	20 0		
				546 0	
	12.	.. One pair of shawls		195 0	
	13.	.. Two pairs of shawls		375 0	
	14.	.. Four pairs of shawls	675 0		
		.. One pair of shawls	250 0		
		.. Two pairs of shawls	250 0		
				1,175 0	
	16.	.. One piece of turband	7 0		
		.. Four pieces of Punwarra selahs	64 0		
		.. One pair of shawls	250 0		
				321 0	
		Carried forward		3,639 0	6,394 6

[Account A, 1.—Folio 8.]

CLOTHS, &c. REFERENCE.

RAJAH CHUNDOO LOLL .....*Dr.*

H. 1236.				Hyderabad Rupees.	A.	Hyderabad Rupees.	A.
		Brought forward -		3,639	0	6,394	6
Jemadee oo sanee	23.	To Four pieces of Punwarra selahs - - - - - -		60	0		
	24.	.. Four pieces of Punwarra selahs - - - - -	Rs. 60 0				
		.. One hundred small bottles of utter - - - -	500 0				
		.. Ninety-seven large bottles of utter - - - -	776 0				
		.. One and a half pair of shawls - - - - -	197 8				
		.. One and a half pair of shawls - - - - -	112 8				
		.. One piece of turband - - - - - -	7 0				
				1,653	0		
	27.	.. One pair of shawls - - - - - - - - -		75	0		
	28.	.. Fifteen pieces of Punwarra selahs - - - -	245 0				
		.. Two pairs of shawls - - - - - - -	150 0				
		.. Three pieces of turbands - - - - - -	21 0				
				416	0		
						5,843	0
b.....	1.	.. Two pairs of shawls - - - - - - - -		300	0		
	4.	.. Eight pieces of Punwarra selahs - - - - -		120	0		
	6.	.. One single shawl - - - - - - - -		105	0		
	7.	.. One pair of shawls - - - - - - - -		190	0		
	9.	.. Two pairs of shawls - - - - - - - -		360	0		
	12.	.. One pair of shawls - - - - - - - -	200 0				
		.. One pair of shawls - - - - - - - -	72 0				
				272	0		
	13.	.. Two pairs of shawls - - - - - - - -	316 0				
		.. One pair of shawls - - - - - - - -	250 0				
				566	0		
	14.	.. One pair of shawls - - - - - - - -		75	0		
	16.	.. One pair of shawls - - - - - - - -	160 0				
		.. One single shawl - - - - - - - -	36 0				
		.. One pair of shawls - - - - - - - -	160 0				
				356	0		
	21.	.. Four pieces of turbands - - - - - - -	28 0				
		.. One pair of shawls - - - - - - - -	312 8				
		.. Nineteen pieces of Punwarra selahs - - - -	299 0				
		.. One pair of shawls - - - - - - - -	273 0				
				912	8		
	23.	.. Twenty-two pieces of Aurungabad mushroos - -		369	4		
	26.	.. One pair of shawls - - - - - - - -	72 0				
		.. One pair of shawls - - - - - - - -	160 0				
		.. One pair of shawls - - - - - - - -	140 0				
				372	0		
	27.	.. One pair of shawls - - - - - - - -	249 0				
		.. One pair of shawls - - - - - - - -	187 0				
		.. Four pieces of turbands - - - - - -	28 0				
		.. One pair of shawls - - - - - - - -	266 0				
				730	0		
						4,727	12
an.....	3.	.. One pair of shawls - - - - - - - -	180 0				
		.. One pair of shawls - - - - - - - -	72 0				
				252	0		
	7.	.. One pair of shawls - - - - - - - -		225	0		
	8.	.. One pair of shawls - - - - - - - -	250 0				
		.. Three and a half pairs of shawls - - - -	258 0				
				508	0		
	9.	.. One pair of shawls - - - - - - - -		210	0		
		Carried forward -		1,195	0	16,965	2

[Account A, 1.—Folio 9.]

CLOTHS, &c. REFERENCE.

RAJAH CHUNDOO LOLL .....*Dr.*

H. 1236.				Hyderabad Rupees.	A.	Hyderabad Rupees.	A.
		Brought forward - -		1,195	0	16,965	2
Shabaun,...	13.	To one pair of shawls - - - - - - - - - - -		195	0		
	17.	.. One pair of shawls - - - - - - - - - - -		250	0		
	18.	.. One pair of shawls - - - - - - - - - - -		120	0		
	20.	.. One pair of shawls - - - - - - - - - - -		200	0		
	25.	.. One single shawl - - - - - - - - -	Rs. 36 0				
		.. Two pairs of shawls - - - - - - - - -	410 0				
				446	0		
	28.	.. One pair of shawls - - - - - - - - -	72 0				
		.. Seven pieces of Purwarra selahs - - - - -	105 0				
				177	0		
	29.	.. Three pairs of shawls - - - - - - - -	420 0				
		.. Fourteen pieces of velvet at one hundred and fifty-four Rupees per piece - - - - - - - - -	2,156 0				
		.. Four pieces of satin at eighty-five Rupees per piece - -	340 0				
		.. Thirteen pieces of satin at one hundred and eight Rupees per piece - - - - - - - - - -	1,404 0				
		.. Ten pieces of China silks at ninety Rupees per piece - -	900 0				
		.. Twenty pieces of handkerchiefs - - - - - -	740 0				
		.. Fifteen pieces of flowered silk at one hundred and eight Rupees	1,620 0				
		.. Two ivory fans - - - - - - - - - -	50 0				
		.. One ivory ball - - - - - - - - - -	125 0				
		.. Two ivory baskets - - - - - - - - -	200 0				
				7,955	0	10,538	0
aun,...	1.	.. One pair of shawls - - - - - - - - - - -		265	0		
	5.	.. Three pieces of Punwarra selahs - - - - - - - -		45	0		
	8.	.. One and a half pair of shawls - - - - - - - -		111	8		
	10.	.. One pair of shawls - - - - - - - - - -		150	0		
	16.	.. Two pair of shawls - - - - - - - - - -		504	0		
	18.	.. Four pieces of Punwarra selahs - - - - - - -		60	0		
	19.	.. One pair of shawls - - - - - - - - - -		180	0		
	20.	.. Two pair of shawls - - - - - - - -	320 0				
		.. Three pieces of Benares jamdany - - - - -	180 0				
				500	0		
	21.	.. Six pieces Punwarra selahs - - - - - - -	90 0				
		.. One pachodee - - - - - - - - -	25 0				
		.. One pair of shawls - - - - - - - -	75 0				
				190	0		
	22.	.. One single shawl - - - - - - - - - -		37	8		
	24.	.. One pair of shawls - - - - - - - - - -		190	0		
	26.	.. One pair of shawls - - - - - - - - -	160 0				
		.. Four pieces of turbands - - - - - - - -	28 0				
		.. Sixteen pieces of Punwarra muslins - - - - -	272 0				
				460	0		
	28.	.. Four pieces of Punwarra muslins - - - - -	60 0				
		.. One single pachodee - - - - - - - -	12 12				
		.. One single shawl - - - - - - - - -	36 0				
				108	12		
	29.	.. Nineteen pieces of Punwarra muslins - - - - -	323 0				
		.. One single pachodee - - - - - - - -	12 12				
		.. Four pieces of turbands - - - - - - -	28 0				
		.. One pair of shawls - - - - - - - -	272 0				
		.. Two pair of shawls - - - - - - - -	460 0				
				1,095	12	3,897	8
		Carried forward - -				31,400	10

[Account A, 1.—Folio 10.]

CLOTHS, &c. REFERENCE.

RAJAH CHUNDOO LOLL ..... *Dr.*

			Hyderabad Rupees. A.	Hyderabad Rupees. A.
H. 1235.		Brought forward - - -		31,400 10
Zechijj.....	1. Less amount of timber returned :—			
	One log number 11 - - - - - - - - - - -		223 0	
	One log number 3 - - - - - - - - - - -		233 0	
	One log number 44 - - - - - - - - - - -		255 0	
	One log number 49 - - - - - - - - - - -		223 0	
	One log number 227 - - - - - - - - - - -		63 0	
			994 0	
				30,406 10
H. 1236.				
Zeekaud....	1. To one pair of shawls - - - - - - - - - -	Rs. 160 0		
	.. Two pairs of shawls - - - - - - - -	150 0		
			310 0	
	2. .. One pair of shawls - - - - - - - - - -		150 0	
	3. .. Four pairs of shawls - - - - - - - -	635 0		
	.. One single shawl - - - - - - - -	40 0		
			675 0	
	4. .. Two pieces of Punwarra selahs - - - - - - - -		30 0	
	7. .. One pair of shawls - - - - - - - - - -		75 0	
	9. .. Two pairs of shawls - - - - - - - -	320 0		
	.. Two hundred pieces of mushroos - - - - - -	3,681 4		
			4,001 4	
	10. .. Two pairs of shawls - - - - - - - -	385 0		
	.. One pair of shawls - - - - - - - -	205 0		
			590 0	
	11. .. Nineteen yards of woollen cloth - - - - - - - -		171 0	
	12. .. One pair of shawls - - - - - - - - - -		300 0	
	13. .. Two pairs of shawls - - - - - - - -	155 0		
	.. One pachodee - - - - - - - - -	41 0		
	.. One pair of shawls - - - - - - - -	180 0		
			376 0	
	14. .. One pair of shawls - - - - - - - - - -		260 0	
	15. .. One pair of shawls - - - - - - - - - -		150 0	
	20. .. Twenty-nine pieces of Punwarra muslins - - - - - -		435 0	
	26. .. One pair of shawls - - - - - - - -	175 0		
	.. One single shawl - - - - - - - -	37 8	212 8	7,735 12
Zechijj.....	5. .. One pair of shawls - - - - - - - - - -		150 0	
	8. .. One pair of shawls - - - - - - - - - -		240 0	
	10. .. One pair of shawls - - - - - - - - - -		160 0	
	13. .. One pair of shawls - - - - - - - - - -		135 0	
	14. .. One pair of shawls - - - - - - - -	300 0		
	.. One pair of shawls - - - - - - - -	240 0		
			540 0	
	15. .. One pair of shawls - - - - - - - - - -		150 0	
	17. .. Seventy-two pieces turbands - - - - - - - -	504 0		
	.. One hundred and sixty pieces of Punwarra muslins - - - -	966 13		
	.. Sixty-two pieces of turbands - - - - - - - -	508 1		
	.. Twenty-five pieces of mushroos - - - - - - - -	481 4		
	.. Seventy-five pieces of mushroos - - - - - - - -	1,399 0		
			3,859 2	
	Carried forward - -	Rupees	5,234 2	7,735 12

[Account A, 1.—Folio 11.]

CLOTHS, &c. REFERENCE.

RAJAH CHUNDOO LOLL.....*Dr.*

				Hyderabad Rupees.	A.	Hyderabad Rupees.	A.
		Brought forward -		5,234	2	7,735	12
Zechijj ..	18.	To one pair of shawls - - - - - - - - - -		150	0		
	21.	.. One and a half pair of shawls - - - - - -	Rs. 112 8				
		.. One pair of shawls - - - - - - - - -	150 0				
				262	8		
	22.	.. Two pairs of shawls - - - - - - - - -		470	0		
	24.	.. One pair of shawls - - - - - - - - -	275 0				
		.. Three and a half pairs of shawls - - - - - -	262 8				
				537	8		
	25.	.. One pair of shawls - - - - - - - - -		195	0		
	26.	.. One pair of shawls - - - - - - - - -		225	0		
	29.	.. One pair of shawls - - - - - - - - -		180	0		
						7,254	2
H. 1237.							
Mohurrum	1.	.. Two pieces of kimkhabs - - - - - - - -	580 0				
		.. One piece of kimkhab - - - - - - - -	200 0				
		.. Five pieces of kimkhabs - - - - - - -	1,120 0				
		.. One pair of shawls - - - - - - - -	160 0				
		.. One pair of shawls - - - - - - - -	75 0				
				2,135	0		
	2.	.. Three and a half pairs of shawls - - - - - -	262 0				
		.. One pair of shawls - - - - - - - -	135 0				
		.. Nine pairs of shawls - - - - - - - -	2,095 0				
		.. Three pairs of shawls - - - - - - - -	610 0				
		.. Four pieces of kimkhabs - - - - - - -	1,090 0				
		.. Eight pairs of shawls - - - - - - - -	1,595 0				
				5,787	0		
	4.	.. One pair of shawls - - - - - - - - -	390 0				
		.. Four pairs of shawls - - - - - - - -	930 0				
		.. One pair of shawls - - - - - - - -	225 0				
		.. Seven and a half pairs of shawls - - - - - -	1,162 8				
				2,707	8		
	5.	.. Four pairs of shawls - - - - - - - - -	300 0				
		.. Seven pieces of turbands - - - - - - - -	36 8				
				336	8		
	6.	.. One pair of shawls - - - - - - - - -	250 0				
		.. One piece of kimkhab - - - - - - - -	300 0				
		.. One pair of shawls - - - - - - - - -	195 0				
				745	0		
	7.	.. One single shawl - - - - - - - - - -		37	8		
	8.	.. One and a half pair of shawls - - - - - -	112 8				
		.. Two pairs of shawls - - - - - - - -	253 0				
		.. Five pairs of shawls - - - - - - - -	778 0				
		.. Two pairs of shawls - - - - - - - -	330 0				
				1,473	8		
	9.	.. One single shawl - - - - - - - - -	37 8				
		.. One pair of shawls - - - - - - - -	130 0				
		.. Three pairs of shawls - - - - - - - -	660 0				
		.. Two pairs of shawls - - - - - - - -	282 0				
				1,109	8		
	10.	.. Two pairs of shawls - - - - - - - -	450 0				
		.. One pair of shawls - - - - - - - -	212 0				
				662	0		
	11.	.. One pair of shawls - - - - - - - -	358 0				
		.. One piece of kimkhab - - - - - - - -	302 0				
				660	0		
	12.	.. One pair of shawls - - - - - - - - -		75	0		
	14.	.. Two pairs of shawls - - - - - - - - -		325	0		
	18.	.. One pair of shawls - - - - - - - - -		222	0		
	19.	.. One pair of shawls - - - - - - - - -		150	0		
		Carried forward -	Rupees	16,425	8	14,989	14

[Account A, 1.—Folio 12.]

CLOTHS, &c. REFERENCE.

RAJAH CHUNDOO LOLL..... *Dr.*

H. 1236.				Hyderabad Rupees. A.	Hyderabad Rupees. A.
		Brought forward -		16,425 8	14,989 14
Mohurrum	20.	To one piece of petumber - - - - - -	Rs. 31 8		
		.. One pair of shawls - - - - - -	160 0		
		.. One piece of kimkhab - - - - - -	192 0		
			———	383 8	
	21.	.. One pair of shawls - - - - - - -	179 8		
		.. Four pairs of shawls - - - - - -	652 0		
			———	831 8	
	23.	.. One pair of shawls - - - - - - -	- -	150 0	
	24.	.. Two pairs of shawls - - - - - -	150 0		
		.. One pair of shawls - - - - - -	190 0		
		.. One pair of shawls - - - - - -	160 0		
		.. One pair of shawls - - - - - -	151 0		
			———	651 0	
	25.	.. Four bales of serge - - - - - -	210 7¾		
		.. Three pieces of turbands - - - - - -	24 0		
		.. Fifty pieces of turbands - - - - - -	291 8		
		.. One hundred and twelve pieces of turbands - - -	586 8		
			———	1,112 7¾	
	26.	.. One pair of shawls - - - - - - -	259 0		
		.. One pair of shawls - - - - - - -	75 0		
		.. One single shawl - - - - - - -	90 0		
			———	424 0	
	29.	.. One pair of shawls - - - - - - -	75 0		
		.. Three pairs of shawls - - - - - -	689 0		
		.. Ten bales of woollen cloth - - - - -	2,633 12		
			———	3,397 12	
				———	23,375 11¾
Suffer.....	2.	.. One pair of shawls - - - - - - -	- -	150 0	
	6.	.. Twenty-nine pieces of Punwarra muslins - - -	435 0		
		.. Twelve pieces of Punwarra muslins - - - -	180 0		
			———	615 0	
	10.	.. One pair of shawls - - - - - - -	- -	160 0	
	16.	.. One pair of shawls - - - - - - -	249 0		
		.. One pair of shawls - - - - - - -	75 0		
			———	324 0	
	18.	.. One pair of shawls - - - - - - -	- -	160 0	
	29.	.. One pair of shawls - - - - - - -	- -	75 0	
	30.	.. One single shawl - - - - - - -	- -	37 8	
				———	1,521 8
Rubbee ool awul	3.	.. One pair of shawls - - - - - - -	- -	150 0	
	4.	.. Twenty-five and a half yards of woollen cloth - -	- -	255 0	
	6.	.. Two pairs of shawls - - - - - - -	150 0		
		.. One pair of shawls - - - - - - -	250 0		
			———	400 0	
	7.	.. Two pairs of shawls - - - - - - -	- -	400 0	
	8.	.. One pair of shawls - - - - - - -	190 0		
		.. One piece of turband - - - - - -	7 0		
			———	197 0	
	10.	.. One hundred and fifty-seven pieces of Punwarra muslins	1,003 2		
		.. Five pieces of turbands - - - - -	36 9		
			———	1,039 11	
	15.	.. One pair of shawls - - - - - - -	- -	225 0	
	18.	.. One pair of shawls - - - - - - -	-	150 0	
	19.	.. One pair of shawls - - - - -	250 0		
		.. Fifty-two yards of woollen cloth - - - -	520 0		
			———	770 0	
	2.	.. One pair of shawls - - - - - - -	238 0		
		.. Four pieces of turbands - - - - - -	16 0		
			———	254 0	
		Carried forward -	Rupees	3,840 11	39,887 1¾

[Account A, 1.—Folio 13.]

CLOTHS, &c. REFERENCE.

RAJAH CHUNDOO LOLL ..... *Dr.*

			Hyderabad Rupees.	A.	Hyderabad Rupees.	A.
H. 1236.		Brought forward -	3,840	11	39,887	13/4
Rubbee ool awul	23. To one pair of shawls - - - - - - - -	Rs. 223 0				
	.. One and a half pair of shawls - - - - -	217 8				
	.. Two pieces of turbands - - - - -	8 0				
			448	8		
	26. .. One pair of shawls - - - - - - -	225 0				
	.. One pair of shawls - - - - - - -	75 0				
			300	0		
	27. .. Thirty-two yards and six girchs of serge - - - - -		64	12		
	29. .. Nine pairs of shawls - - - - - - - - -		1,355	0		
	30. .. Two pairs of shawls - - - - - - - - -		290	0		
					6,298	15
Rubbee oo sanee	3. .. One pair of shawls - - - - - - - - -		150	0		
	4. .. One pair of shawls - - - - - - - - -		175	0		
	5. .. One single shawl - - - - - - - - -		37	8		
	7. .. Nine pieces of Punwarra muslins - - - -	135 0				
	.. Two pieces of kimkhabs - - - - - -	536 0				
			671	0		
	12. .. One pair of shawls - - - - - - - - -		150	0		
	14. .. Two pairs of shawls - - - - - - - - -		380	0		
	15. .. One and a half pair of shawls - - - - - - -		197	8		
	18. .. One pair of shawls - - - - - - - - -		160	0		
	20. .. One pair of shawls - - - - - - - - -		75	0		
	21. .. One single shawl - - - - - - - - -		37	8		
	22. .. One pair of shawls - - - - - - -	180 0				
	.. One pair of shawls - - - - - - -	250 0				
			430	0		
	25. .. One piece of turband - - - - - - -	10 0				
	.. Two pairs of shawls - - - - - - -	390 0				
			400	0		
	26. .. One pair of shawls - - - - - - - - -		72	0		
	27. .. Three pairs of shawls - - - - - - - -		585	0		
	29. .. Two pairs of shawls - - - - - - - - -		325	0		
					3,845	8
					50,031	8¾
Jemadee ool awul	1. .. One pair of shawls - - - - - - -	200 0				
	.. Two pairs of shawls - - - - - - -	365 0				
			565	0		
	2. .. Five pairs of shawls - - - - - - -	72 0				
	.. One pair of shawls - - - - - - -	150 0				
			222	0		
	5. .. Five pairs of shawls - - - - - - - - -		360	0		
	7. .. Six and a half pairs of shawls - - - - -	468 0				
	.. Four pieces of Punwarra muslins - - - -	120 0				
	.. Eight pairs of shawls - - - - - -	1,044 0				
			1,632	0		
	8. .. One pair of shawls - - - - - - -	308 0				
	.. Three pairs of shawls - - - - - -	319 0				
			627	0		
	12. .. One piece of turband - - - - - - - - -		4	0		
	15. .. One single shawl - - - - - - - - -		80	0		
	.. Twenty-three yards and five girchs of woollen cloth -	188 0				
	.. Fourteen pairs of shawls - - - - - -	1,406 0				
			1,674	0		
		Carried forward -	Rupees 5,084	0		

[Account A, 1.—Folio 14.]

CLOTHS, &c. REFERENCE.

RAJAH CHUNDOO LOLL ..... *Dr.*

H. 1237.				Hyderabad Rupees. A.	Hyderabad Rupees. A.
		Brought forward		5,084 0	
Jemadee ool awul 17.	To one piece of turband		Rs. 4 0		
	.. One pair of shawls		175 0		
				179 0	
	18. .. One single shawl			40 0	
	19. .. Six pairs of shawls			700 0	
	20. .. One pair of shawls			155 0	
	21. .. One single shawl			80 0	
	23. .. One piece of turband			4 0	
	25. .. One piece of turband		4 0		
	.. One and a half pair of shawls		112 8		
	.. Eight Benares dooputtas		821 0		
	.. One piece of kimkhab		148 8		
				1,086 0	
	26. .. One pair of shawls			75 0	
	27. .. Four pairs of shawls			552 8	
	30. .. One pair of shawls			190 0	
					8,145 8
Jemadee oo sanee 2.	.. One single shawl		40 0		
	.. One piece of turband		4 0		
	.. Four pairs of shawls		332 0		
				376 0	
	4. .. One and a half pair of shawls			237 8	
	5. .. One pair of shawls			85 0	
	6. .. One pair of shawls			100 0	
	7. .. One pair of shawls			150 0	
	9. .. One piece of turband			4 0	
	10. .. One pair of shawls		250 0		
	.. One single shawl		37 8		
				287 8	
	12. .. Three pairs of shawls			540 0	
	13. .. Three pairs of shawls			555 0	
	15. .. Four pieces of Punwarra muslins			112 0	
	17. .. One pair of shawls			210 0	
	18. .. Two pairs of shawls			445 0	
	22. .. Four pairs of shawls		750 0		
	.. One piece of turband		4 0		
				754 0	
	26. .. One pair of shawls			160 0	
					4,016 0
Rujeb.....	2. .. One single shawl		80 0		
	.. One and a half pair of shawls		230 0		
				310 0	
	7. .. One single shawl		40 0		
	.. Two turbands		8 0		
				48 0	
	9. .. One and a half pair of shawls			225 0	
	10. .. One single shawl			40 0	
	12. .. Two and a half pairs of shawls		200 0		
	.. One piece of turband		4 0		
				204 0	
	13. .. Two pairs of shawls			390 0	
	14. .. Two pair of shawls			255 0	
		Carried forward	Rupees	1,472 0	12,161 8

[Account A, 1,—Folio 15.]

CLOTHS, &c. REFERENCE.

RAJAH CHUNDOO LOLL..... *Dr.*

H. 1237.			Hyderabad Rupees. A.		Hyderabad Rupees. A.	
		Brought forward -	1,472	0	12,161	6
Rujeb ..	16. To six pairs of shawls - - - - - - - - -	Rs. 465 0				
	.. Six pairs of shawls - - - - - - - - -	965 0				
	.. Twenty-seven pieces of turbands - - - - - - -	123 0				
			1,553	0		
	28. .. One pair of shawls - - - - - - - - - - -		80	0		
	29. .. One pair of shawls - - - - - - - - - - -		275	0		
					3,340	0
Shabaun ..	3. .. One pair of shawls - - - - - - - - - - -		210	0		
	4. .. Two pairs of shawls - - - - - - - - -	300 0				
	.. One piece of turband - - - - - - - - -	10 0				
			310	0		
	7. .. Sixty-eight and a half yards of woollen cloth - - - - -	515 10				
	.. Two pieces of turbands - - - - - - - - -	8 0				
	.. One hundred and seventy-six yards of woollen cloth - -	1,584 9				
			2,108	3		
	9. .. One piece of turband - - - - - - - - - - -		4	0		
	10. .. One pair of shawls - - - - - - - - - - -		150	0		
	11. .. One pair of shawls - - - - - - - - - - -		85	0		
	12. .. One pair of shawls - - - - - - - - -	225 0				
	.. One piece of turband - - - - - - - - -	8 0				
			233	0		
	14. .. One pair of shawls - - - - - - - - - - -		80	0		
	16. .. One pair of shawls - - - - - - - - - - -		85	0		
	18. .. One pair of shawls - - - - - - - - -	180 0				
	.. Twenty-one pieces of kimkhabs - - - - - -	1,873 0				
			2,053	0		
	21. .. Three pairs of shawls - - - - - - - - - - -		570	0		
	27. .. Twenty pairs of dhootees - - - - - -	260 8				
	.. One hundred and seventy-eight and a half tolohs of uttur -	535 8				
			816	0		
	29. .. One pair of shawls - - - - - - - - - - -		195	0		
					6,899	3
Rumzaun	8. .. One pair of shawls - - - - - - - - - - -		190	0		
	11. .. One and a half pair of shawls - - - - - - - - -		140	0		
	13. .. One pair of shawls - - - - - - - - - - -		270	0		
	14. .. One pair of shawls - - - - - - - - - - -		400	0		
	23. .. Thirty-four yards and eleven girehs of woollen cloth - - - - -		259	11		
	24. .. One pair of shawls - - - - - - - - - - -		200	0		
	25. .. Two pairs of shawls - - - - - - - - - - -		160	0		
	27. .. Three and a half pairs of shawls - - - - - - - - -		280	0		
	29. .. One pair of shawls - - - - - - - - - - -		180	0		
	30. .. One piece of petumber - - - - - - - -	32 0				
	.. One pair of shawls - - - - - - - - -	200 0				
			232	0		
					2,311	11
				Rupees	24,752	6

[Account A, 1.—Folio 16.]

CLOTHS, &c. REFERENCE.

RAJAH CHUNDOO LOLL ..... *Dr.*

H. 1237.			Hyderabad Rupees.	A.	Hyderabad Rupees.	A.	Hyderabad Rupees.	A.
Zeekaud	1.	To twenty-one pairs of shawls	10,124	9				
		.. One pair of shawls	200	0				
					10,324	9		
	12.	.. One pair of shawls			80	0		
	15.	.. Two pairs of shawls			500	0		
	18.	.. One pair of shawls	260	0				
		.. One pair of shawls	225	0				
					485	0		
	21.	.. One pair of shawls			190	0		
	22.	.. Two pairs of shawls			425	0		
	25.	.. One pair of shawls			165	0		
	26.	.. One single shawl	80	0				
		.. Thirty yards of woollen cloth, at Rs. 7½ per yard	225	0				
					305	0		
							12,471	9
Zeehijj	7.	.. One pair of shawls			160	0		
	12.	.. One and a half pair of shawls			220	0		
	14.	.. One pair of shawls			225	0		
	19.	.. One piece of turbands	8	0				
		.. One pair of shawls	155	0				
					163	0		
	20.	.. One pair of shawls			145	0		
	21.	.. One pair of shawls	75	0				
		.. One piece of petumber	13	0				
					88	0		
	22.	.. One pair of shawls			150	0		
	23.	.. One pair of shawls			75	0		
	26.	.. One musical snuff-box	1,500	0				
		.. One pair of shawls	175	0				
					1,675	0		
	27.	.. Six pieces of turbands	37	4				
		.. Three and a half pairs of shawls	432	8				
					469	12		
	29.	.. One single shawl	45	0				
		.. Five pallas of goolal	525	0				
					570	0		
							3,940	12
H. 1238. Moharrum	2.	.. One pair of shawls			185	0		
	13.	.. Three and a half pairs of shawls			372	0		
	17.	.. One pair of shawls			155	0		
	23.	.. One pair of shawls			200	0		
	25.	.. One single shawl			62	8		
	26.	.. One pair of shawls			120	0		
	27.	.. Five pairs of shawls			1,065	0		
	29.	.. One single shawl	60	0				
		.. Seventy-one yards of woollen cloth	532	8				
					592	8		
							2,732	0
		Carried forward - - -				Rupees		

[Account A, 1.—Folio 17.]

CLOTHS, &c. REFERENCE.

RAJAH CHUNDOO LOLL ..... *Dr.*

				Hyderabad Rupees	A.	Hyderabad Rupees.	A.
H. 1238.		Brought forward	- - -				
Suffer.....	1.	To one single shawl	Rs. 60 0				
	..	One pair of shawls	340 0				
						400	0
	4. ..	One pair of shawls	- -			210	0
	5. ..	Fifty pieces of Punwarra selahs	750 0				
	..	Five pairs of shawls	1,555 0				
	..	Nine pairs of shawls	2,363 0				
						4,668	0
	6. ..	Two pieces of Punwarra selahs	30 0				
	..	Ten pairs of shawls	1,490 0				
	..	Three pairs of shawls	500 0				
						2,020	0
	7. ..	Three pairs of shawls	700 0				
	..	Nineteen pairs of shawls	3,475 0				
	..	Eight pieces of Punwarra selahs	120 0				
						4,295	0
	8. ..	Seven pairs of shawls	1,100 0				
	..	Four pieces of selahs	60 0				
						1,160	0
	19. ..	Three pairs of shawls	- -			545	0
	20. ..	One pair of shawls	- -			130	0
	21. ..	Thirty-five yards and ten girehs of woollen cloth	- -			267	3
	25. ..	One single shawl	- -			40	0
	26. ..	One pair of shawls	- -			160	0
	29. ..	Two pairs of shawls	- -			425	0
						14,320	3
Rubbee ool awul	1. ..	One single shawl	- -			75	0
	3. ..	One pair of shawls	- -			150	0
	4. ..	Two pairs of shawls	- -			305	0
	5. ..	One pair of shawls	- -			230	0
	6. ..	One pair of shawls	- -			155	0
	7. ..	One pair of shawls	- -			160	0
	8. ..	One pair of shawls	- -			225	0
	10. ..	One pair of shawls	- -			150	0
	12. ..	One single shawl	- -			75	0
	14. ..	Three pairs of shawls	- -			690	0
	15. ..	Two pieces of Punwarra selahs	30 0				
	..	Two pairs of shawls	370 0				
						400	0
	16. ..	One pair of shawls	- -			170	0
	18. ..	Four pairs of shawls	- -			735	0
	19. ..	Two pairs of shawls	- -			300	0
	21. ..	Seven and a half pairs of shawls	- -			1,280	0
	22. ..	One single shawl	- -			37	8
	23. ..	One pair of shawls	- -			155	0
	24. ..	Two pairs of shawls	- -			400	0
	25. ..	One pair of shawls	- -			150	0
	26. ..	Six pieces of Punwarra selahs	- -			90	0
	30. ..	Eleven and a half pairs of shawls	2,205 0				
	..	One hundred turbands	625 0				
	..	Thirty pachodees	585 0				
	..	Four pieces of selahs	60 0				
	..	One piece petumber	13 0				
	..	Two pairs of shawls	450 0				
						3,938	0
						9,870	8

Carried forward ... Rupees

[Account A, 1.—Folio 18.]

CLOTHS, &c. REFERENCE.

RAJAH CHUNDOO LOLL .....*Dr.*

			Hyderabad Rupees. A.	Hyderabad Rupees. A.	Hyderabad Rupees. A.
H. 1237.		Brought forward -			
Rubbee oo sance ..	1.	To one furd charhaseau - - - - - - - -	70 0		
		.. Two pairs of shawls - - - - - - - -	370 0		
				440 0	
	3.	.. Two pairs of shawls - - - - - - - -	396 0		
		.. One pair of shawls - - - - -	275 0		
		.. Six pieces of Nandeer selahs - - - - -	24 0		
				695 0	
	7.	.. Six pairs of shawls - - - - - - - -		900 0	
	8.	.. One pair of shawls - - - - - - - -		180 0	
	10.	.. One pair of shawls - - - - - - - -		180 0	
	11.	.. Three pairs of shawls - - - - - - -		425 0	
	12.	.. Three pairs of shawls - - - - - - -		490 0	
	20.	.. One and a half pair of shawls - - - - - -		212 8	
	21.	.. Twenty-one yards and one girch broad cloth - - -		450 7½	
	23.	.. Three pairs of shawls - - - - - - -		410 0	
	25.	.. One pair of shawls - - - - - - - -		250 0	
	26.	.. One and a half pair of shawls - - - - - -		170 0	
	27.	.. One and a half pair of shawls - - - - - -		262 8	
	29.	.. One pair of shawls - - - - - - - -		150 0	
					5,215 7½
Jemadee ool awul..	1.	.. One single shawl - - - - - - - -		75 0	
	2.	.. One pair of shawls - - - - - - - -		160 0	
	4.	.. Two pairs of shawls - - - - - - - -		365 0	
	6.	.. One pair of shawls - - - - - - - -		240 0	
	7.	.. One single shawl - - - - - - - -		40 0	
	9.	.. One single shawl - - - - - - - -		40 0	
	12.	.. Thirteen pieces of Punwarra selahs - - - - - -		195 0	
	19.	.. Six pairs of shawls - - - - - - - -		1,085 0	
	20.	.. One pair of shawls - - - - - - - -		150 0	
	21.	.. One single shawl - - - - - - - -		40 0	
	23.	.. Five and a half pairs of shawls - - - - - -		1,025 0	
	24.	.. One and a half pair of shawls - - - - -		225 0	
	25.	.. Twenty-one pieces of Punwarra selahs - - - - -		315 0	
	28.	.. Five pairs of shawls - - - - - - -	1,850 0		
		.. Five pieces of kimkhabs - - - - - -	1,100 0		
				2,950 0	
	29.	.. Four pieces of Punwarra selahs - - - - - -		60 0	
	30.	.. One pair of shawls - - - - - - - -		200 0	
					7,165 0
Jemadee oo sance..	3.	.. One pair of shawls - - - - - - - -		150 0	
	5.	.. One single shawl - - - - - - - -		40 0	
	7.	.. One and a half pair of shawls - - - - - -		112 8	
	8.	.. One pair of shawls - - - - - - - -		250 0	
	11.	.. One pair of shawls - - - - - - - -		150 0	
	19.	.. One pair of shawls - - - - - - - -		200 0	
	21.	.. One and a half pairs of shawls - - - - - -		167 8	
	22.	.. Twenty-three pairs of shawls - - - - -	2,578 8		
		.. Five pieces of Nandeer selahs - - - - -	40 0		
		.. Twelve pieces of turbands - - - - - -	63 0		
		.. Three pachodies - - - - - -	78 0		
		.. One furd shawl - - - - - - - -	50 0		
		.. One hundred and four yards and fourteen girchs of woollen cloth - - - - - - - - -	786 9		
		.. Seventy pieces of Punwarra selahs - - - - -	1,050 0		
				4,646 1	
	23.	.. Twenty yards and two girchs of woollen cloth - - - -		150 15	
					5,867 0
		Carried forward -		Rupees	

[Account A, 1.—Folio 19.]

CLOTHS, &c. REFERENCE.

RAJAH CHUNDOO LOLL .....*Dr.*

H. 1237.					Hyderabad Rupees. A	Hyderabad Rupees A
		Brought forward				
Rujeb.....	To timber.					
	17. ..	Eight wonts			914 6	
H 1238.						
Mohurrum.....	15. ..	Eighteen dolkas at six rupees each	Rs. 108 0			
	17. ..	Twenty-two dolkas at six rupees each	132 0			
	23. ..	Nineteen dolkas at six rupees each	114 0			
	26. ..	Twenty-eight dolkas at six rupees each	168 0			
	28. ..	Fifteen dolkas at six rupees each	90 0			
					612 0	
Suffer.....	1. ..	Twelve dolka wonts at thirty rupees each	Rs. 360 0			
	..	Eight dolkas at six rupees each	48 0			
				408 0		
	13. ..	Six dolka wonts at thirty rupees each		180 0		
					588 0	
Rubbee ool awul	26. ..	Four dolkas at six rupees each		24 0		
	27. ..	Five dolkas at six rupees each		30 0		
	28. ..	Ten dolkas at six rupees each		60 0		
	29. ..	Ten dolkas at six rupees each		60 0		
	30. ..	Ten dolkas at six rupees each		60 0		
					234 0	
Rubbee oo sanee	1. ..	Two dolka wonts at thirty rupees each	60 0			
	..	Five dolkas at six rupees each	30 0			
				90 0		
	3. ..	Two dolka wonts at thirty rupees each	60 0			
	..	Five dolkas at six rupees each	30 0			
				90 0		
	11. ..	Twenty dolkas at six rupees each		120 0		
	12. ..	Twenty dolkas at six rupees each		120 0		
	13. ..	Twenty dolkas at six rupees each		120 0		
	16. ..	Thirty dolkas at six rupees each	180 0			
	..	Two dolka wonts at thirty rupees each	60 0			
				240 0		
	18. ..	Eight dolka wonts at thirty rupees each	240 0			
	..	Ten dolkas at six rupees each	60 0			
				300 0		
	23. ..	Six dauputs at fourteen rupees each		84 0		
	24. ..	Six dauputs at fourteen rupees each		84 0		
	25. ..	One dauput at fourteen rupees each		14 0		
	26. ..	Six dauputs at fourteen rupees each		84 0		
	27. ..	Three dauputs at fourteen rupees each		42 0		
	29. ..	Six dauputs at fourteen rupees each		84 0		
					1,472 0	
Jemadee ool awul	1. ..	Six dauputs at fourteen rupees each		84 0		
	2. ..	Three dauputs at fourteen rupees each		42 0		
	3. ..	Six dauputs at fourteen rupees each		84 0		
	5. ..	Nine dauputs at fourteen rupees each		126 0		
	6. ..	Four dauputs at fourteen rupees each		56 0		
					392 0	
Jemadee oo sanee	8. ..	Three sreemundrums at eight rupees each		24 0		
	9. ..	Four sreemundrums at eight rupees each		32 0		
	10. ..	Ten sreemundrums at eight rupees each		80 0		
	11. ..	Eight sreemundrums at eight rupees each		64 0		
	12. ..	Eight sreemundrums at eight rupees each		64 0		
	16. ..	Eight sreemundrums at eight rupees each		64 0		
	18. ..	Eight sreemundrums at eight rupees each		64 0		
	19. ..	Eight sreemundrums at eight rupees each		64 0		
	20. ..	Eight sreemundrums at eight rupees each		32 0		(Sic Orig.)
	21. ..	Eight sreemundrums at eight rupees each		64 0		
	22. ..	Four sreemundrums at eight rupees each		32 0		
	23. ..	Six sreemundrums at eight rupees each		48 0		
	24 .	Eight sreemundrums at eight rupees each		64 0		
					696 0	
H. 1237.						
Rujeb.....	12. ..	Eight sreemundrums at eight rupees each		64 0		
	13. ..	Five sreemundrums at eight rupees each		40 0		
					104 0	
						5,012 6

(Signed) WM. PALMER and Co.

A true Copy

(Signed) GEO. SWINTON,
Secretary

[Account A, 2.—Folio 1.]

JEWELLERY REFERENCE-SHEET *of the Rajah's Account with* Messrs. WILLIAM PALMER and Co.

H. 1229:—F. 1224.
(10,069) Folio 1.

			Hyderabad Rupees.	A.
		To Jewellery:—		
Zeehijj ..	11. ..	One pair dustbunds	1,000	0
	..	One joognee	132	0
	..	One ring	155	0
	..	One ring	30	0
	..	One ring	32	0
	..	One pair chowdanee	140	0
	..	One pair chusul phool	190	0
	..	One sirpainch	500	0
	..	Two hars pearls	3,420	0
	..	One nutt	510	0
	..	One teeka	200	0
	..	One pair bhoojbunds	1,095	0
	..	One pair paeejub	654	0
	..	One doog doogee	327	0
	..	Two hars pearls	471	0
	..	One pair soomrun of pearls	663	0
	..	Thirty-two pearls	50	0
	..	One pair jhangeer	500	0
		Hyderabad Rupees	10,069	0

H. 1230:—F. 1225.
(17,147. 7.)

		To Jewellery—Folio 4 of the Account:—		
Shuwaul	17. ..	One sirpuntee	1,425	0
	..	One sirpuntee	1,300	0
	..	One sirpuntee	1,400	0
	..	One sirpuntee	425	0
	..	One har	850	0
	..	One har	750	0
	..	One har	550	0
	..	One har	1,250	0
	..	One har	850	0
	..	One toorah	825	0
	..	One pair bhoojbunds	885	0
	..	One pair dustbunds	1,050	0
	..	One jeega	260	0
	..	Thirteen diamonds	153	12
	..	One pair dustbunds	750	0
	..	One har	550	0
	..	One sirpuntee	1,300	0
	..	Fifteen bored emeralds	210	11
	..	One sirpuntee	750	0
	..	One sirpuntee	1,195	0
	..	One jeega	250	0
		Six emeralds	168	0
		Hyderabad Rupees	17,147	7

H. 1235.
(37,015.)

		To Cash—Folio 32 of the Account:—		
Rujeb. . . .	8. ..	Paid Boochurmul	10,196	8
	..	Paid the Rajah's servant, Luchmun	12,390	12
	..	Paid Boochurmul	6,528	8
	..	Paid Boochurmul	2,900	0
		Paid Munsoor Khan	5,000	0
		Hyderabad Rupees	37,015	12

H. 1235:—F. 1229.
(10,382.)

			Hyderabad Rupees.	A.
		To Jewellery—Folio 35 of the Account:—		
Rumzaun . .	5. ..	One sirpainch	55	0
	6. ..	One pair dustbunds	390	0
	..	Twenty-five pearls	31	14
	8. ..	One pair ponchee	525	0
	11. ..	One sirpainch and bhoojbund	133	0
	12. ..	One sirpainch	70	0
	13. ..	One sirpainch	133	0
	..	Bored yaoots	300	0
	..	One har	121	0
	..	One joognee and sutlud	29	0
	14. ..	Two sirpainches	401	8
	18. ..	One hundred and sixteen pearls, eighty-six chittacks, six annas, at seventeen	142	6
	22. ..	Three sirpainches	99	0
	26. ..	One kunthee	4,500	0
	27. ..	One sirpainch	55	0
Shuwaul ..	5. ..	One furd bhoojbund	133	0
	8. ..	One sirpainch	60	0
	9. ..	Thirteen pearls, forty-five chittacks, eight annas, at ten	458	2
	..	Six bored emeralds, Rs. 21. 12, at eight	174	0
	..	Five bored emeralds, Rs. 23, at 9. 2	207	0
	..	Three diamonds, Rs. 1. 14, at seventy	131	4
	22. ..	One anwell	190	0
	23. ..	One sirpainch	575	0
	25. ..	One sirpuntee	650	0
	..	One har	455	0
	..	Two sirpainches	253	0
	28. ..	One dustbund	220	0
	..	Doog doogee har	115	0
	22. ..	Two pearls	275	0
		Hyderabad Rupees	10,882	2

H. 1235:—F. 1230.
(60,331.)

		To Jewellery—Folio 35 of the Account:—		
Zeekaud ..	1. ..	Two sirpuntees	3,112	8
	..	One kunthee	950	0
	..	Two pairs dustbunds	777	8
	3. ..	One pair bhoojbund	4,050	0
	..	One pair bhoojbund	735	0
	..	One pair bhoojbund	417	0
	..	One pair bhoojbund	270	0
	..	One pair bhoojbund	312	0
	..	One pair bhoojbund	263	0
	..	One pair bhoojbund	555	0
	..	One pair bhoojbund	307	0
	..	One pair bhoojbund	312	0
	..	One pair bhoojbund	852	0
	..	One pair bhoojbund	2,700	0
	..	One teeka	2,600	0
	..	One pair kurrumphool	805	0
	..	One pair kurrumphool	550	0
	..	One pair kurrumphool	400	0
	..	One balla	270	0
	..	One balla	675	0
	..	One balla	295	0
	..	One ring	1,100	0
	..	One ring	500	0
	..	Three rings, No. 20	140	0
	..	One pudduk	400	0
	..	One pudduk	91	0
	..	One pair bootta	405	0
		Carried forward Hyd Rupees	23,844	0

[Account A, 2.—Folio 2.]

REFERENCE-SHEET *of the Rajah's Account with* Messrs. WILLIAM PALMER and Co.

H. 1235 :—F. 1230.			Hyderabad Rupees.	A.
		Brought forward - -	23,844	0
Zeekaud ..	3.	To one joognee - - - - -	140	0
		.. One chumpakullee - - - -	2,050	0
		.. One pair ponchee - - - -	575	0
		.. One pair jhangeera, No. 4 - - -	432	0
		.. One pair bajoobund - - - -	675	0
		.. ~~One ditto~~ .....error	~~2,700~~	~~0~~
		.. One pair bajoobund - - - -	4,500	0
		.. One pair nouruttun - - - -	1,450	0
		.. Five hundred and sixty-five pearls, two hundred and twenty-four chittacks, nine annas. - - - - - -	2,807	0
		.. Two pearls, seventy-seven ch., eight an:	1,500	0
		.. Two pearls, two hundred and sixty-five ch., six and one quarter an: - -	1,600	0
		.. One har - - - - - - -	422	0
		.. One har - - - - - - -	379	0
		.. One har - - - - - - -	390	0
		.. One har - - - - - - -	372	0
		.. One har, No. 45 - - - -	366	0
		.. One sutludda, No. 26 : - -	292	8
		.. One sutludda - - - - -	3,200	0
		.. One sutludda - - - - -	5,947	0
		.. One sutludda - - - - -	1,307	8
		.. One pair ponchee - - - -	650	0
		.. One pair dustbunds - - - -	1,800	0
		.. One pair dustbunds - - - -	2,210	8
	4.	.. One sirputtee - - - - -	645	0
		.. One sirputtee - - - - -	650	0
		.. One har - - - - - - -	460	0
	18.	.. One furd bhoojbund - - - -	133	0
		.. One har - - - - - - -	395	0
	21.	.. One har - - - - - - -	225	0
		At four months' credit - Hyd. Rupees	59,417	8
	3.	.. Ten pendant emeralds, Rs. 65. 4 an., at fourteen put into a sirputta, at six months' credit - - - - -	913	8
		Hyderabad Rupees -	60,331	0

H. 1236 :—F. 1230.
(78,054. 9.)

To Jewellery—Folio 36 of the Account:—

Zechijj....	2.	.. One sirpainch - - - - -	102	0
		.. One sirpainch - - - - -	160	0
		.. One har - - - - - - -	370	0
	5.	.. One furd bhoojbund - - - -	133	0
	7.	.. One har - - - - - - -	450	0
	11.	.. One sirpainch - - - - -	77	0
		.. One sirpainch - - - - -	102	0
	14.	.. One chumpakullee - - - -	670	0
		.. One pair ponchee - - - -	525	0
	17.	.. One sirputtee - - - - -	793	0
		.. One pair dustbunds - - - -	210	0
	19.	.. One diamond, weighing Rs. 4. 6 as. -	4,875	0
	20.	.. One pair bhoojbund - - - -	3,700	0
		.. Three diamonds - - - -	1,150	0
		.. One jhooka - - - - -	2,300	0
		.. One har - - - - - - -	9,100	0
		.. One pair nouruttun - - - -	2,150	0
		.. Four hundred and twenty-six pearls, weighing two thousand one hundred and eleven ch., 14¾ - - - -	15,955	10
	21.	.. One pair dustbunds - - - -	215	0
		.. One pair bajoobund - - - -	375	0
		.. One joognee - - - - -	128	0
		.. Fifty pearls, weighing three ch., nine an.	60	9
		.. One ursee - - - - -	29	0
	24.	.. One umwut - - - - -	165	0
		.. Two umwuts - - - - -	70	0
	25.	.. One jeegah - - - - -	65	0
		.. One nutt - - - - - -	99	0
		Carried forward - Hyd. Rupees	44,029	3

H. 1235 :—F. 1230.			Hyderabad Rupees.	A.
		Brought forward -	44,029	3
Zechijj ..	26.	To one sirputtee - - - - -	4,385	0
		.. One toorah - - - - -	780	0
		.. Eight emeralds, weighing Rs. 63, at 8	504	0
		.. One pudduk - - - - -	275	0
		.. One hundred and sixty pearls, weighing ch. 93, at 11 - - - - -	1,023	0
		.. One hundred and sixty-eight pearls, weighing ch. 193 at 11 - - -	1,547	6
		.. One pair bajoobund - - - -	510	0
		.. One pair paeejub - - - -	1,700	0
	28.	.. One pair nouruttun - - - -	271	0
		.. One sirpainch - - - - -	113	0
	29.	.. One sirputtee - - - - -	1,125	0
		.. One toorah - - - - -	390	0
		.. One pair dustbunds - - - -	90	0
		.. One pair dustbunds - - - -	600	0
		.. One pair dustbunds - - - -	125	0
		.. One har - - - - - -	200	0
		At four months' credit - Hyd. Rupees	57,667	9
	20.	.. One diamond - - - - -	6,225	0
		.. One kunthee - - - - -	9,047	0
		.. One diamond - - - - -	4,400	0
	26.	.. Four emeralds, weighing Rs. 55, at 13, at six months' credit - - - -	715	0
		Hyderabad Rupees	78,054	9

H. 1236,—F. 1230.
(16,030. 14.)

To Purchases—Folio 37 of the Account:

Rujeb	5.	To one sirpainch - - - - -	60	8
	10.	.. Five bored emeralds, Rs. 36. 15, at 10	269	6
	13.	.. One sirpainch - - - - -	63	0
	16.	.. One sirpainch - - - - -	200	0
		.. One sirpainch - - - - -	75	0
	21.	... One sirpainch - - - - -	260	0
	25.	.. One pudduk - - - - -	110	0
		.. One bored emerald - - - -	35	0
	26.	.. One pair dustbunds - - - -	600	0
		.. One nutt - - - - - -	315	0
	27.	.. One sirpainch - - - - -	65	0
	28.	.. One pair chowdanee - - - -	240	0
		.. One joognee - - - - -	100	0
		.. One joognee - - - - -	200	0
		.. One pudduk - - - - -	165	0
		.. One pudduk - - - - -	124	0
		.. One pair bhoojbunds - - -	855	0
		.. One pair bhoojbunds - - - -	460	0
		.. One pair dustbunds - - - -	260	0
		.. One pair dustbunds - - - -	130	0
		.. Part of a dustbund - - - -	245	0
		.. One Jhangeree - - - - -	450	0
		.. One Jhangeree - - - - -	245	0
		.. One pair paeejub - - - -	907	8
		.. One pair paeejub - - - -	1,000	0
		.. One ring - - - - - -	35	0
		.. One ring - - - - - -	20	0
		.. Four rings - - - - -	280	0
		.. One pair kurrumphool - - -	1,300	0
		.. One pair kurrumphool - - -	350	0
		.. Two bored emeralds, Rs. 4½, at 13 -	58	8
		.. Seven massas gold - - - -	8	8
		.. One pair ponchee, No. 35 - - -	525	0
		.. One umwut - - - - -	125	0
		.. One pudduk - - - - -	185	0
		.. One Boogue joda - - - -	200	0
		.. One chumpakullee - - - -	550	0
		Carried forward - Hyd. Rupees	10,971	6

[Account A. 2—Folio 3.]

REFERENCE-SHEET *of the Rajah's Account with* Messrs. WILLIAM PALMER and Co.

H. 1236:—F. 1230.		Hyderabad Rupees.	A.
	Brought forward -	10,971	6
Rujeb ....28.	To one pair pearl soomrun - - - -	850	0
..	One pair soomrun - - - - -	350	0
..	Three hundred and fifty-four pearls, three hundred and thirty-three ch.7an., at 6. 14 - - - - - -	2,292	0
..	Forty-eight pearls weighing, 5 at 15 -	75	0
..	One hundred and fifty-six pearls weighing, 19 at 15 - - - - - -	285	0
..	Seventy pearls wg., 9¼ - - -	142	8
..	One string pearls - - - - -	75	0
..	One sirputtee - - - - - -	450	0
..	One pair boogdee - - - - -	275	0
..	One chowlaphool - - - - -	225	0
..	One ursee - - - - - -	40	0
	At four months' credit -	Hyd. Rs. 16,030	14

H. 1237:—F. 1231. (10,256.)			
	To Purchases—Folio 38 of the Account:—		
Zeehijj ....6.	.. One sirpainch - - - - - -	100	0
11.	.. One har - - - - - - -	800	0
..	One har - - - - - - -	600	0
..	One har - - - - - - -	125	0
..	One har - - - - - - -	275	0
..	One har - - - - - - -	488	0
..	One furd bhoojbund - - - - -	205	0
..	One sirpainch - - - - - -	191	0
..	One jeegah - - - - - -	150	0
..	One pair dustbunds - - - - -	376	0
14.	.. One sirpainch - - - - -	241	0
..	One har - - - - - - -	467	0
16.	.. One sirpainch - - - - -	205	0
..	One jeegah - - - - - -	217	0
17.	.. One har - - - - - - -	175	0
..	One sirpainch - - - - - -	204	0
19.	.. One sirpainch - - - - -	81	0
20.	.. One jeegah - - - - - -	105	0
26.	.. One sirpainch - - - - -	64	0
..	One sirpainch - - - - - -	55	0
27.	.. One sirpainch - - - - -	275	0
..	One sirpainch, No. 40. - - -	65	0
..	*One furd bhoojbund* - - - -	277	8
..	*One jeegah* - - - - - -	242	0
..	*One jeegah* - - - - - -	217	0
..	*One jeegah* - - - - - -	625	0
..	One jeegah - - - - - -	450	0
28.	.. One sirputtee - - - - -	1,100	0
..	One toorah - - - - - -	575	0
..	One har - - - - - - -	670	0
..	One sirpainch - - - - - -	63	0
..	One sirpainch - - - - - -	110	0
30.	.. One furd bhoojbund - - - -	297	8
..	One har - - - - - - -	165	0
	At four months' credit -	Hyd. Rs. 10,256	0

H. 1237. (20,442.12.)			
	To Jewellery—Folio 38 of the Account:—		
Muharrum 4.	.. One har - - - - - - -	705	0
..	One dustbund - - - - - -	650	0
..	One sirputtee - - - - - -	447	0
21.	.. Two diamonds at six an. -	11	4
24.	.. One sirpainch - - - - -	64	8
25.	.. One har - - - - -	350	0
..	One pudduck - - - - -	80	0
..	One bajoobund - - - - -	247	0
29.	.. One sirpainch - - - -	79	0
..	One sirpainch - - - - -	123	0
	Carried forward	2,756	12

H. 1237:—F. 1231.		Hyderabad Rupees.	A.
	Brought forward -	2,756	12
Suffer .....6.	To one teeka - - - - -	600	0
..	One pair boogulee - - - - -	500	0
..	One chowjanee - - - - -	478	0
..	One pair chowlaphool - - - -	475	0
..	One chumpakullee - - - -	1,450	0
..	One pudduck - - - - -	185	0
..	One pair bhoojbund - - - -	1,250	0
..	One pair jhangeree - - - -	3,675	0
..	One pounchelee - - - - -	600	0
..	One ring ursee - - - - -	121	0
..	One pair paeejub - - - - -	2,250	0
..	One sirputtee - - - - -	600	0
..	One nutt - - - - - -	700	0
..	One joognee - - - - - -	465	0
..	One pair unwut - - - - -	298	0
..	One ring - - - - - -	105	0
..	One ring - - - - - -	55	0
..	One ring - - - - - -	29	0
..	One ring - - - - - -	27	0
..	One pair dustbunds - - - -	175	0
..	One pair dustbunds (in full 2,170) -	1,995	0
..	In full joognee - - - -	643	0
..	One pair kurrumphool - - -	990	0
	Hyderabad Rupees	20,442	12

H. 1237:—F. 1231. (17,023. 1.)			
	To Jewellery—Folio 40 of the Account:—		
Rumzaun ..2.	.. One sirpainch - - - - -	182	0
..	One har - - - - - -	382	0
4.	.. One sirputtee - - - - -	210	0
..	One har - - - - - -	260	0
11.	.. One pair dustbunds - - - -	141	0
12.	.. One sirpainch - - - - -	125	0
..	One har - - - - - -	325	0
13.	.. One sirputtee - - - - -	1,400	0
..	One toorah - - - - -	529	8
..	One pair bhoojbunds - - - -	1,020	0
..	One pair dustbund - - - -	500	0
..	One pair dustbund - - - -	780	0
..	One pair dustbund - - - -	166	0
..	One teekah - - - - -	700	0
..	One pair ponchee - - - -	645	0
..	One pair jhangeree - - - -	970	0
..	One har - - - - - -	1,070	0
..	One pair paeejub - - - -	1,175	0
..	One pair kurrumphool - - -	555	0
..	One hundred and eight pearls, 19 ch., 10 to 12 - - - - -	235	8
14.	.. One sirputtee - - - - -	455	0
..	One sirputtee - - - - -	455	0
..	One sirputtee - - - - -	453	0
..	One sirputtee - - - - -	407	0
..	One har - - - - - -	950	0
..	One har - - - - - -	670	0
..	One har - - - - - -	550	0
..	One pair dustbund - - - -	375	0
17.	.. One pudduk - - - - -	195	0
18.	.. One sirpainch, No. 59 - - -	62	0
20.	.. One sirpainch - - - -	46	0
26.	.. Five diamonds - - -	40	0
..	Four emeralds - - - -	28	0
..	One sirpainch - - - -	45	0
..	Fifty pearls - - - -	162	0
..	Gold wire - - - - -	7	0
27.	.. One furd bhoojbund - - -	81	0
30.	.. One sirpainch - - - -	65	0
..	One furd bhoojbund, No. 425 -	425	0
..	One sirpainch - - - -	180	0
	Hyderabad Rupees	17,023	1

[Account A. 2—Folio 4.]

REFERENCE-SHEET *of the Rajah's Account with* Messrs. WILLIAM PALMER and Co.

H. 1238:— F. 1232. (13,907 3.)			Hyderabad Rupees.	A.
		To Jewellery—Folio 41 of the Account:—		
Mohurrum	4.	.. One har	382	8
		.. One sirpainch	75	0
	6.	.. One sirpainch	75	0
		.. One sirpainch	158	0
		.. One har	385	0
	7.	.. One sirpainch	124	0
		.. One sirpainch	91	0
		.. One jeegah	126	0
	19.	.. One sirpainch	73	0
	21.	.. One sirpainch	230	0
		.. One har	225	0
		.. One pair dustbunds	200	0
	27.	.. One sirpainch	118	0
		.. One jeegah	80	0
	28.	.. Sixty-four diamonds	170	11
	29.	.. One sirputtee	1,665	0
		.. One sirputtee	883	0
		.. One sirputtee	365	0
		.. One sirputtee	500	0
		.. One toorah	500	0
		.. One pair dustbunds	233	0
		.. One pair dustbunds	720	0
		.. One pair dustbunds	750	0
		.. Two pair dustbunds	225	0
		.. One bhoojbund	1,398	0
		.. One har	1,145	0
	30.	.. One sirputtee	960	0
		.. One soorde	780	0
		.. One har	865	0
		.. One pair dustbunds	405	0
		At four months' credit — Hyd. Rs.	13,907	3

H. 1238. (45,062. 4.)				
		To Jewellery—Folio 41 of the Account:—		
Jemadee oo sanee	4.	.. One sirputtee	387	0
		.. One har	200	0
	5.	.. One sirputtee	2,975	0
		.. One pair dustbunds	2,850	0
		.. One har	5,100	0
		.. One pair bhoojbund	2,575	0
		.. One pair bhoojbund	4,100	0
	7.	.. One sirpainch	75	0
		.. One sirpainch	63	0
		.. One jeegah	74	0
	8.	.. One har	455	0
		.. One sirpainch	63	0
	21.	.. One thousand and fourteen pearls, 25 ch., at 11½	287	8
		.. One sirpainch	420	0
		.. One sirpainch	99	0
		.. Two sirpainches Rs. 63 each	126	0
		.. One har	1,015	0
		.. One har	320	0
		.. One har	293	0
		.. One pair dustbund	238	0
		.. One pair dustbund	98	0
		.. One pair dustbund	65	0
		.. One pair dustbund	56	0
		.. One sirputtee	200	0
		.. One sirputtee	300	0
	22.	.. Two hundred and sixty-two pearls, wg. 1,057 ch. 8 an: at 6	6,873	12
	24.	.. One sirputtee	1,965	0
		.. One sirputtee	367	0
		.. One sirputtee	375	0
		.. One sirputtee	337	0
		Carried forward —	32,352	4

H. 1238:— F. 1232.			Hyderabad Rupees.	A.
		Brought forward	32,352	4
Jemadee oo sanee	24.	To one sirputtee	163	0
		.. One sirputtee	60	0
		.. One jeegah	375	0
		.. One jeegah	380	0
		.. One jeegah	412	0
		.. One jeegah	168	0
		.. One jeegah	305	0
		.. One jeegah	91	0
		.. One jeegah	76	0
		.. One jeegah	68	0
		.. One jeegah	265	0
		.. One jeegah	203	0
		.. One sirpainch	495	0
		.. One sirpainch	124	0
		.. One sirpainch	94	0
		.. One sirpainch	107	0
		.. Two sirpainches Rs. 152 each	304	0
		.. One sirpainch	120	0
		.. One sirpainch	113	0
		.. One sirpainch	74	0
		.. One sirpainch	105	0
		.. One sirpainch	73	0
		.. One sirpainch	85	0
		.. One sirpainch	132	0
		.. One sirpainch	93	8
		.. One sirpainch	113	0
		.. One sirpainch	112	0
		.. One sirpainch	117	0
		.. One sirpainch	93	8
		.. One sirpainch	65	0
		.. One sirpainch	91	0
		.. Two bhoojbunds, Rs. 119 each	238	0
		.. One bhoojbund	110	0
		.. One pair dustbunds	65	0
		.. One pair dustbunds	1,190	0
		.. One har	2,500	0
		.. One har	1,100	0
		.. One sulkeen	240	0
		.. One tola gold wire	15	0
		.. One pair nouruttun	2,000	0
		.. One pair bhoojbund, No. 38	175	0
		At four months' credit — Hyd. Rs.	45,062	4

(Signed) W. PALMER and Co.

(A true Copy)

(Signed) G. SWINTON
Secretary.

[Account B.—Folio 1.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.

Dr.

H. 1238.		Hyderabad Rupees. A.	Hyderabad Rupees. A.
Jemadee ool awul 1.	To balance bearing interest -	28,64,090 10½	
..	Amount purchases not due, but included in last balance furnished	51,464 12½	
			29,15,555 7
	Now entered from their respective dates becoming due as follows :—		
Jemadee ool awul 12.	- -	Rs. 155 0	
13.	- -	372 0	
17.	- -	155 0	
19.	- -	596 4	
28.	- -	250 0	
23.	- -	593 0	
25.	- -	312 8	
26.	- -	120 0	
27	- -	1,065 0	
28.	- -	2,248 0	
29.	- -	2,393 8	
			8,260 4
Jemadee oo sanee 1.	- -	400 0	
2.	- -	347 0	
4.	- -	325 0	
5.	- -	4,668 0	
6.	- -	2,020 0	
7.	- -	4,295 0	
8.	- -	1,613 0	
15.	- -	119 8	
16.	- -	425 0	
19.	-	545 0	
20.	- -	2,957 10	
21.	- -	267 3	
25.	- -	40 0	
26.	- -	160 0	
28.	- -	543 0	
29.	- -	425 0	
			19,150 5
	Carried forward -	Rupees 27,410 9	—29,15,555 7

Cr.

H. 1238 :— F. 1232.		Hyderabad Rupees. A.	Hyderabad Rupees. A.
Rumzaun 24.	By amount received from the Resident's treasury - -		10,00,000 0
Shuwaul .. 9.	.. Amount received do. do. -		10,00,000 0
20.	.. Amount cr : interest -	26,000 0	
..	Interest on items returned not due, being purchases from the 21st of Jemadee oo sanee - - -	57 15½	
			26,057 15½
1823 : July 1....	21. .. Balance due to us - - -		12,96,239 3¾
	Carried forward -	Rupees 33,22,297 3¼	

[Account B.—Folio 2.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.

Dr. *Cr.*

H. 1238.			Hyderabad Rupees.	A.	Hyderabad Rupees.	A.
	Brought forward	-	27,410	9	29,15,555	7
Rujeb.....	1.	-	121	0		
	3.	-	150	0		
	4.	-	305	0		
	6.	-	155	0		
	7.	-	160	0		
	8.	-	225	0		
	10.	-	380	0		
	12.	-	75	0		
	14.	-	789	0		
	15.	-	400	0		
	16.	-	825	0		
	18.	-	5,619	12		
	19.	-	300	0		
	21.	-	2,105	0		
	27.	-	37	8		
	23.	-	155	0		
	24.	-	400	0		
	25.	-	150	0		
	26.	-	90	0		
	30.	-	4,012	0		
	5.	-	230	0		
			16,684	4		
Shabaun...	1.	-	440	0		
	3.	-	910	0		
	7.	-	974	0		
	8.	-	465	0		
	10.	-	356	0		
	11.	-	425	0		
	12.	-	645	0		
	13.	-	65	0		
	15.	-	535	0		
	20.	-	472	0		
	21.	-	570	7½		
	22.	-	75	0		
	23.	-	615	0		
	25.	-	250	0		
	26.	-	170	0		
	27.	-	262	8		
	29.	-	150	0		
			7,369	15½		
H. 1238.			51,464	12½		
	Purchase of timber per Memorandum, page 19.					
Zeekaud...	12.	-	64	0		
	15.	-	40	0		
	17.	-	914	6		
			1,018	6		
	Carried forward	-	Rupees 1,018	6	29,15,555	7

	Hyderabad Rupees.	A.
Brought forward -	33,22,297	3¼
Carried forward - Rupees	33,22,297	3¼

[Account B.—Folio 3.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.

Dr. | *Cr.*

H. 1238.					Hyderabad Rupees.	A.	Hyderabad Rupees.	A.
		Brought forward	-		1,018	6	29,15,555	7
Jemadee ool awul	15.	-	-	Rs. 108 0				
	17.	-	-	132 0				
	23.	-	-	114 0				
	26.	-	-	168 0				
	28.	-	-	90 0				
					612	0		
Jemadee oo sanee	1.	-	-	408 0				
	13.	-	-	180 0				
					588	0		
Rujeb	26.	-	-	24 0				
	27.	-	-	30 0				
	28.	-	-	60 0				
	29.	-	-	60 0				
	30.	-	-	60 0				
					234	0		
Shabaun	1.	-	-	90 0				
	3.	-	-	90 0				
	11.	-	-	120 0				
	12.	-	-	120 0				
	13.	-	-	120 0				
	16.	-	-	240 0				
	18.	-	-	300 0				
	23.	-	-	84 0				
	24.	-		84 0				
	25.	-	-	14 0				
	26.	-		84 0				
	27.	-	-	42 0				
	29.	-		84 0				
					1,472	0		
Rumzaun	1.	-	-	84 0				
	2.	-	-	42 0				
	3.	-	-	84 0				
	5.	-	-	126 0				
	6.	-	-	56 0				
					392	0		
Shuwaul	8.	-	-	24 0				
	9.		-	32 0				
	10.	-	-	80 0				
	11.		-	64 0				
	12.	-		64 0				
	16.	-	-	64 0				
	18.	-	-	64 0				
	19.		-	64 0				
	20.	-	-	32 0				
	21.	-	-	64 0				
	23.	-		32 0				
	23.			48 0				
	24.	-		64 0				
					696	0	5,012	6
		Carried forward	-		Rupees 29,20,567	13		

H. 1238.		Hyderaba Rupees.	A.
	Brought forward -	33,22,297	3¼
	Carried forward - Rupees	33,22,297	3¼

[Account B.—Folio 4.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.

Dr.

H. 1238.			Hyderabad Rupees. A.	Hyderabad Rupees. A.
		Brought forward -		29,20,567 13
	Purchases on four months' credit from following dates :—			
Jemadee ool awul	1. Cloths - - -	Rs. 75 0		
	2. Cloths - - - -	160 0		
	4. Cloths - 365 0			
	Jewellery - 457 8			
		822 8		
	6. Jewellery - 618 0			
	Cloths - 240 0			
		858 0		
	7. Cloths - 40 0			
	Jewellery - 341 0			
		381 0		
	9. Cloths - - -	40 0		
	12. Cloths - - -	195 0		
	19. Cloths - 1,085 0			
	Jewellery - 73 0			
		1,158 0		
	20. Cloths - - -	150 0		
	21. Cloths - 40 0			
	Jewellery - 655 0			
		695 0		
	23. Cloths - - -	1,025 0		
	24. Cloths - - -	225 0		
	25. Cloths - - -	315 0		
	27. Cloths - - -	198 0		
	28. Cloths - 2,950 0			
	Jewellery - 170 11			
		3,120 11		
	29. Jewellery - 8,384 0			
	Cloths - 60 0			
		8,444 0		
	30. Cloths - 200 0			
	Jewellery - 3,010 0			
		3,210 0		
			21,072 3	
Jemadee oo sanee	3. Cloths - 150 0			
		150 0		
	4. Jewellery - 587 0			
		587 0		
	5. Jewellery 17,600 0			
	Cloths - 40 0			
		17,640 0		
	7. Cloths - 112 8			
	Jewellery - 212 0			
		324 8		
	8. Jewellery - 518 0			
	Cloths - 250 0			
		768 0		
	11. Cloths - - -	150 0		
	19. Cloths - - -	200 0		
	21. Cloths - 167 8			
	Jewellery - 3,517 8			
		3,685 0		
	22. Cloths - 4,646 1			
	Jewellery - 6,873 12			
		11,519 13		
	23. Cloths - - -	150 15		
	24. Jewellery - -	15,754 0		
			50,929 4	
				72,001 7
	Carried forward -	Rupees		29,92,569 4

Cr.

H. 1238.		Hyderabad Rupees.	A.
	Brought forward -	33,22,297	3¼
	Carried forward -	Rupees 33,22,297	3¼

[Account B.—Folio 5.]

RAJAH CHUNDOO LOLL, *in Account Current with* Messrs. WILLIAM PALMER and Co.

Dr.

			Hyderabad Rupees.	A.
H. 1238.		Brought forward -	29,92,569	4
Jemadee ool awul	2.	To cash paid guard - Rs. 50 0		
	3.	.. Cash paid guard - 44 0		
Jemadee oo sanee	3.	.. Cash paid guard - 94 0		
	24.	.. Cash paid guard - 94 0		
			282	0
Shuwaul.....	20.	.. Amount of Dr. interest -	3,29,445	15¼
		Hyderabad Rupees	33,22,297	3¼

Cr.

		Hyderabad Rupees.	A.
	Brought forward -	33,22,297	3¼
	Hyderabad Rupees	33,22,297	3¼

Hyderabad, 1st July 1823.

(Signed) WM. PALMER and Co.

H. 1238.				
Shuwaul.....	21.	To balance from above - -	12,96,239	3¾
	24.	.. Debit interest to this date -	2,592	8
		.. Account closed by a transfer to the loan account - - -	50,418	12¼
		Hyderabad Rupees	13,49,250	8

H. 1238.				
Shuwaul..	23.	By our receipts this date - - - -	7,23,768	0
	24.	.. Do. - do. - - - -	6,25,000	0
		.. Credit interest to this date - - -	482	8
		Hyderabad Rupees	13,49,250	8

Hyderabad, 4th July 1823.

(Signed) WM. PALMER and Co.

(A true Copy.)

(Signed) G. SWINTON,
Secretary to Government.

LIBRARY OF THE ROYAL SOCIETY

Enclosures in Bengal Political Letter, 31 July 1823.

(Enclosure No. 2 in Bengal Political Letter* of 31st July 1823.)

To G. Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

1. I have the honour to submit the accounts† furnished by Messrs. William Palmer and Co., relating to their fictitious sixty-lac loan.

2. I forward the originals to prevent delay, and beg that they may either be returned to me to be copied here, or that copies may be supplied from your office.

3. These accounts contain only the transfer of fifty-two lacs from the twenty-five per cent. account, the bonus of eight lacs, and the accumulation of interest on one side, with the receipts on the other: they do not, therefore, need much remark. I have only to observe, that the balance, before we commenced paying off, was greater than the original transfer, the latter being Rupees 52,00,000, and the former Rupees 53,90,441.

4. I trust that the information contained in this and former reports, will enable the Honourable the Governor-General in Council to come to a decision regarding the bonus, which there was at one time a question of disallowing. For this and other items, alluded to in your despatches, I am obliged to reserve twenty lacs, pending the ultimate orders of the Honourable the Governor-General in Council. The rest of the debt, amounting to about seventy-five lacs, has either been paid, or is in the course of payment.

I have, &c.

(Signed) C. T. METCALFE,
Resident.

Hyderabad Residency,
12th July 1823.

* On page 589. † Marked C and D.

Account

[Account C.—Folio 1.]

RAJAH CHUNDOO LOLL's *New Account in Account Current with* Messrs. WILLIAM PALMER and CO. *HYDERABAD.*

Dr.

			Hyderabad Rupees.	A.
H. 1235.				
Shuwaul	30.	To Rajah Chundoo Loll, transfer amount at his credit - -	- 52,00,000	0
	...	Compensation on loan, and premium on interest reduced -	8,00,000	0
H. 1236.				
Rubbee oo sanee	30. ..	One half-year's interest on account	5,27,800	0
		Rupees	65,27,800	0

Cr.

			Hyderabad Rupees.	A.
H. 1236.				
Suffer	30.	By Raee Nanuck Ram, first kist of a tunkha on him - - -	- 4,00,000	0
Jemadee oo sanee	22. ..	Received in part Raee Nanuck Ram's second kist - - -	25,500	0
	26. ..	Received do. - do. -	24,000	0.
	25. ..	Cash do. - do. -	75,000	0
	..	Received do. - do.:—		
		20th instant - Rs. 10,000 0		
		27th do. - - 10,636 0		
		28th do. - - 2,470 2		
		———	23,106	2
	27. ..	Cash in full Raee Nanuck Ram's second kist - - - -	593	14
Shabaun.....	1. ..	Received on account Raee Nanuck Ram's third kist - - -	- 4,22,000	0
	..	Received on accouut do.:—		
			Rupees. A.	
		1st Jemadee oo sanee	25,000 0	
		6th - - -	10,000 0	
		10th - - -	37,521 0	
		12th - - -	8,299 0	
		17th - - -	4,097 0	
		22d - - -	1,000 0	
		26th - - -	2,600 0	
		27th - - -	4,200 0	
		28th - - -	800 0	
		25th - - -	2,930 0	
		30th - - -	2,372 0	
		8th Rujeb - -	1,000 0	
		13th - - -	181 0	
		14th - - -	1,633 0	
		5th - - -	51 0	
		10th - - -	438 0	
		11th - - -	208 0	
		15th - - -	267 0	
		16th - - -	140 0	
		17th - - -	48 0	
		18th - - -	185 0	
		20th - - -	52,472 0	
		21st - - -	1,010 0	
		23d -	37,012 0	
		25th - - -	779 0	
		27th - - -	45 0	
		28th - - -	5,713 0	
			——— 2,00,001	0
Rumzaun.....	29. ..	Balance carried forward -	53,57,599	0
		Rupees	65,27,800	0

(Signed) Wm. Palmer and Co.

[Account C.—Folio 2.]

RAJAH CHUNDOO LOLL'S *New Account in Account Current with* Messrs. WILLIAM PALMER and Co. *HYDERABAD.*

Dr. *Cr.*

H. 1236.

			Hyderabad Rupees.	A.
Rumzaun . 29.	To balance - Brought forward -		53,57,599	0
Shuwaul... 30.	.. One half-year's interest in account to this date - - - - - -		5,11,361	11
H. 1237.				
Rubbee oo sanee 30.	One half-year's interest in account to this date - - - -		5,06,827	10
	Hyderabad Rupees -		63,75,788	5

H. 1237.

			Hyderabad Rupees.	A.
	By Raee Nanuck Ram in part first kist of a tunkha on him :			
	23d Zeehijj	Rs. 2,000 0		
	20th Mohurrum -	13,000 0		
	21st - - -	6,800 0		
	23d - -	4,200 0		
	24th - - -	1,000 0		
	3d Rubbee ool awul	20,000 0		
	5th - - -	25,460 4		
	8th - -	4,000 0		
	13th - - -	8,000 0		
	14th - - -	49,740 0		
	15th - - -	21,000 0		
	16th - -	9,090 0		
	18th - - -	22,022 0		
	17th - -	715 0		
	20th - - -	2,900 0		
	25th -	70 0		
	29th - -	75 0		
	3d Rubbee oo sanee	2,953 0		
	5th - -	5,333 0		
	7th -	2,093 0		
	8th -	1,215 12		
	9th - -	3,216 0		
	10th - -	1,602 0		
	13th - -	15 0		
	15th - - -	33,450 0		
	18th - - -	22,685 0		
	19th -	16,765 0		
	20th -	6,600 0		
	22d -	150 0		
	1st Jemadee ool awul			
		10,850		
			2,99,000	0
Rubbee ool awul 23.	Raee Nanuck Ram in part first kist of a tunkha on him -		1,000	0
	Raee Bal Chund :			
	1st Rubbee ool awul	1,13,500 0		
	13th -	40,000 0		
	7th Rubbee oo sanee	8,383 8		
	5th Jemadee ool awul	51,110 0		
			2,12,993	8
Jemadee oo sanee 21.	.. Received through Ameen-ool Moolk -		9,600	0
23.	.. Draft on us on account Ameen-ool Moolk		5,000	0
24.	.. Cash received from - ditto -		4,000	0
25.	.. - ditto ditto -		1,000	0
	.. Received in part second kist on Raee Nanuck Ram 25th and 26th instant -		39,399	0
	.. Cash received from Raee Nanuck Ram in part second kist .			
	27th Instant	9,837 0		
	28th	10,155 0		
			19,992	0
Rujeb .... 4.	.. Cash received from Raee Nanuck Ram in part second kist -		45,069	0
	.. Raee Bal Chund :			
	2nd Ultimo	15,000 0		
	4th	1,868 8		
			16,868	8
5.	.. Cash from Raee Nanuck Ram in part second kist		1,197	0
	Raee Nanuck Ram transferred the following in full of first kist			
	25th Rubbee oo sanee -	7,830 0		
	29th - - -	30,000 0		
	1st Jemadee ool awul	5,000 0		
	7th -	11,170 0		
	15th - -	3,135 0		
	18th -	9,915 0		
	20th - -	3,075 0		
	22d	1,950 0		
	26th	2,925 0		
			75,000	0
14.	Two drafts on us received from Raee Nanuck Ram in part of second kist on him		10,000	0
8.	Cash		3,079	0
	Received in part second kist on Raee Nanuck Ram .			
	25th Jemadee oo sanee	601 0		
	15th Rujeb	14,896 0		
			15,497	0
6.	Cash received from Raee Nanuck Ram in part second kist		30,055	0
	Carried forward		7,88,750	0

(Signed) WM. PALMER and Co.

[Account C.—Folio 3.]

RAJAH CHUNDOO LOLL'S *New Account in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr. *Cr.*

			Hyderabad Rupees.	A.	Hyderabad Rupees.	A.
H. 1237.		Brought forward - -			7,86,750	0
Rujeb ..	19.	By received from Raee Nanuck Ram in part, second kist - - - -			10,000	0
	11. ..	Cash received from - do. - do. -			26,556	0
	13. ..	Do. - - - do. - do. -			12,439	0
	15. ..	Do. - - - do. - do. -			3,260	0
	16. ..	Do. - - - do. - do. -			2,000	0
	20. ..	Received from - - do. - do. -			8,000	0
	..	Cash - - - do. - do. -			6,907	0
	..	Received - - - do. - do. -			1,053	0
	..	Received on account Hoondie on Raee Bal Chund, 18th Zeehijj - -			50,000	0
	..	Raee Bal Chund, 8th Rujeb -	375	0		
		9th - -	480	8		
					855	8
Rumzaun	8. ..	Draft received from Wurrungull -			1,000	0
	29. ..	Cash received on account of do. -			2,860	10
	..	Error in credit of 20th Rujeb - -			18	0
	3. ..	Cash from Raee Nanuck Ram in part second kist - - - - -			3,900	0
	5. ..	Cash received on account Wurungull -			875	0
	8. ..	Cash received from Manie Chund in part first kist of a tunkha on him - -			6,000	0
	..	Cash received from Raee Nanuck Ram in part second kist - - - -			4,222	0
	10. ..	Cash received from Raee Nanuck Ram -			78	0
	12. ..	Cash collections of Wurungull - -			100	0
	..	Sums received in full of first kist of a tunka on Manie Chund:				
		8th Rumzaun -	2,000	0		
		11th - -	6,800	0		
					8,800	0
	..	Raee Bal Chund, 18th Zeehijj - -			19,181	8
	..	Collections from Wurungull - -			1,328	0
	..	Sum received in account do.				
		11th instant - - -	150	0		
		13th - - - - -	375	0		
					525	0
	..	Raee Bal Chund, 9th Shabaun - -			101	0
	..	Cash received from Wurungull - -			110	0
	13. ..	Cash - do. - - - - -			105	0
	..	Cash - do. - 15th instant	240	0		
		16th -	780	0		
					1,020	0
	..	Kurar Nooj Khan, draft on us in part second kist - - - - -			1,279	0
	..	Cash from Ramunna				
		Pundit, 16th inst.	3,324	0		
		17th -	3,601	0		
			6,925	0		
		Collections of				
		Wurungull 14th	50	0		
		16th	775	0		
		17th	1,500	0		
			1,875	0		
	..	Collections from			8,800	
		Wurungull - 22d	1,000	0		
		Shuwaul 2d	1,000	0		
					2,000	0
	22. ..	One and a quarter per cent premium on Bagh, C. Rupees 1,000 - -			12	8
	25. ..	Received from Ghoolam Mahomed Khan Arab, in part first kist on him - -			16,521	0
	21. ..	Cash received from Ramunna Pundit -			2,916	0
	..	Cash from sundries Wurungull				
		12th inst.	600	0		
		Ramunna Pundit 22d -	159	0		
					759	0
	24. ..	Cash received from Ghoolam Mahomed Khan in part first kist - - -			2,162	4
	..	Cash, 17th instant - -	200	0		
		1st Shuwaul - -	52	0		
			252	0		
		From Ramunna Pundit				
		28th inst.	1,575	0		
		29th -	500	0		
			2,075	0		
					2,327	0
		Sums received from Ghoolam Mahomed Khan, in part first kist.				
		17th instant -	300	0		
		26th - -	140	0		
					440	0
Shuwaul..	2. ..	Sums received in part, first kist of a tunkha in Yenkut Rao - -			3,700	0
	3. ..	Received in part - do. do. -			2,000	0
	5. ..	Received in part - do. on Yado Rao			7,744	
	..	Hoondie received from Ghoolam Mahomed Khan —5th instant -	150	0		
		8th -	100	0		
		9th	100	0		
					350	0
		Carried forward - Rupees			10,07,055	6

[Account C.—Folio 4.]

RAJAH CHUNDOO LOLL'S *New Account in Account Current with* Messrs. WILLIAM PALMER and Co. *HYDERABAD.*

Dr. *Cr.*

H. 1237.		Hyderabad Rupees.	A.	Hyderabad Rupees.	A.
	Brought forward -			10,07,055	6
Shuwaul —	By cash from sundries :—				
	Yenkut Rao, 3d instant -	1,300	0		
	Ghoolam Mohummud Khan, 5th - Rs.	20	0		
	1st -	150	0		
	9th -	25	0		
		195	0		
				1,495	0
	.. Cash on following dates :—				
	4th Shuwaul - - -	156	6		
	8th - - - -	100	0		
	9th - - - -	50	0		
				306	6
	.. Cash received from Ghoolam Mohummud Khan :—				
	4th instant - -	610	0		
	5th - - -	235	0		
				845	0
1.	.. Cash received from Ghoolam Mohummud Khan - - - - -			40	0
	.. Cash received from ditto,				
	8th instant - - - Rs.	1,500	0		
	9th - - - - -	1,345	0		
				2,845	0
8.	.. Received in part second kist in Race Nanuck Ram - - -			12,000	0
	.. Received from Ghoolam Mohummud Khan, 29th Rumzaun - - -			100	0
7.	.. Received from do. - - - -			150	0
				10,24,836	12
Shuwaul 30.	.. Balance carried forward - -			53,50,951	9
				63,75,788	5

(Signed) WM. PALMER and Co.

[Account C.—Folio 5.]

RAJAH CHUNDOO LOLL'S *New Account in Account Current with* Messrs. WILLIAM PALMER and Co.

Dr. *HYDERABAD.* *Cr.*

H. 1237.		Hyderabad Rupees.	A.
Shuwaul 10.	To balance brought forward - -	53,50,951	9
30. or 30th *June* 1822.	One half-year's interest on account to this date - - - - -	4,92,763	3¾
	Amount carried forward to Folio 9 - Rupees	58,43,714	12¾

H. 1237.			Hyderabad Rupees.	A.
Shuwaul 9.	By cash for hoondee on Yado Rao - -	×	1,000	0
	.. Sums received from Ghoolam Mohummud Khan :—1st Shuwaul - Rs. 100 0			
	5th - - - 430 0			
	8th - - - 250 0			
	9th - - - 546 0			
		×	1,326	
13.	.. Received from Yado Rao in part first kist	×	9,256	0
	.. Received from Ghoolam Mohummud Khan, 4th instant - - Rs. 30 0			
	9th - - - 60 0			
		×	90	0
17.	.. Received from do. in part first kist - -	×	7,370	0
18.	.. Received from Ramunna Pundit - -	×	425	0
	.. Cash received from Yenkut Rao in part first kist	×	3,280	0
19.	.. Received on account Yenkut Rao's first kist	×	3,680	0
18.	.. By do. - do. - do. - -	×	400	0
5.	.. Cash from Ghoolam Mohummud Khan -	×	30	0
24.	.. Cash received from Yenkut Rao in part first kist - - - - - -	×	640	0
26.	.. Cash received from Ramunna Pundit in full first kist - - - - -	×	135	0
19.	.. Received on account first kist of a tunkha on Yado Rao - - - - -	×	1,900	0
Zeekaud 1.	.. Received from Ghoolam Mohummud Khan in part first kist - - - -		1,012	8
3.	.. Draft on us on account second kist on Ramunna Pundit - - - -		2,000	0
11.	.. Received on account second kist do. -		2,135	0
9.	.. Received in part do. on Manic Chund -		15,488	5¼
	.. Received from Ghoolam Mohummud Khan in part first kist, 23d Shuwaul - -	×	200	0
12.	.. Received from Yado Rao in part first kist		2,500	0
9.	.. Do. - do. - do. - -		800	0
15.	.. Draft on us on account second kist on Ramunna Pundit - - - -		2,940	0
17.	.. Received on account do. - do. -		2,700	0
15.	.. Cash received from Ghoolam Mohummud Khan—*Rs.* 5 *included in this item* -		80	0
	.. Cash from sundries :— Ghoolam Mohummud Khan, 5th Shuwaul - Rs. 200 0 ×			
	9th do. - - 150 0 ×			
	17th Zeekaud - 100 0			
	450 0			
	Yado Rao, 9th Zeekaud - 325 0			
	Himmut Yar Jung, 17th do. 6,000 0			
			6,775	0
	.. Cash received from Ghoolam Mohummud Khan, 1st Shuwaul - - - -	×	20	0
	.. Cash from sundries:— Yado Rao, 9th instant - Rs. 875 0 Ghoolam Mohummud Khan, 13th instant - - - 40 0		915	0
15.	.. Cash received from Ghoolam Mohummud Khan - - - - - -		100	0
24.	.. Draft on us on account second kist on Manic Chund in full - - -		545	0
	.. Received in part balance kist of a tunkha on Race Nanuck Ram:— 23d instant - - Rs. 2,771 5¼			
	24th - - - 2,000 0		4,771	5¼
17.	.. Error at credit of sundries - - -		34	0
	.. Kurar Noaj Khan, on account first and second kists of a tunkha on him:— 30th Rumzaun - Rs. 45,440 4 ×			
	15th Zeekaud - 1,19,143 0		1,64,583	4
25.	.. Cash:—On account Nanuck Ram 800 0 Received from Ramunna Pundit - - 3,000 0		3,800	0
24.	.. Amount from Race Nanuck Ram - -		1,500	0
14.	.. Do. from Ghoolam Mohummud Khan -		36	0
26.	.. Do. - do. - - - -		8,316	2
Zeehijj 1.	.. Cash from do., 8th Shuwaul - -		100	0
2.	.. Do. - do. - - - -		67	0
	.. Received on account Race Nanuck Ram		700	0
3.	.. Amount from Ghoolam Mohummud Khan		1,000	0
2.	.. Do. from Yado Rao - - - -		3,600	0
3.	.. Do. on account of Race Nanuck Ram -		2,000	0
9.	.. Do. - do. - do. - -		2,500	0
8.	.. Cash from Ghoolam Mohummud Khan -		8	0
10.	.. Amount on account second kist on Ramunna Pundit - - - - -		3,000	0
11.	.. Cash received from Ghool. Mohummud Khan		75	0
	.. Amount on account of Race Nanuck Ram, 27th Zeekaud - - - - -		15,000	0
15.	.. Do. - do. - - do. - -		15,000	0
	.. Do. from Ghoolam Mohummud Khan -		750	0
	.. Do. on account of Race Nanuck Ram -		4,000	0
	.. Do. - do. - - do. - -		10,000	0
	.. Do. - do. - - do. - -		7,000	0
	.. Cash received from Ghool. Mohummud Khan		210	0
	Carried forward - Rupees		3,15,793	8½

(Signed) WM. PALMER and Co.

[Account C.—Folio 6.]

RAJAH CHUNDOO LOLL'S *New Account in Account Current with* Messrs. WILLIAM PALMER and Co.

Dr. *HYDERABAD.* *Cr.*

				Hyderabad Rupees.	A.
H. 1237.			Brought forward -	3,15,793	8½
Zeehijj....	15.	By Hoondee in Mugnee Ram Huthee Sing - - - - - - -		4,000	0
		.. Cash received from sundries:			
		Ghoolam Mohummud Khan, 15th instant - - -	100 0		
		Ramunna Pundit -	1,360 10½		
				1,460	10½
		.. Cash returned from Ghoolam Mohummud Khan, 8th Shuwaul - -		98	0
	9.	.. Cash received from do. - -		750	0
	24.	.. Hoondies received from do. - -		6,204	0
	23.	.. Amount from Yado Rao in full first kist		2,000	0
	14.	.. Kurar Noaj Khan's draft on us in part tunkha on him - - - - -		3,400	0
		.. Cash from Ghoolam Mohummud Khan, 8th Shuwaul - - -	42 0		
		.. Cash from Raee Nanuck Ram, 28th Zeehijj - - -	70 0		
				112	0
		.. Cash received from Ghoolam Mohummud Khan - - - - -		10	0
H. 1238.					
Mohurrum	19.	.. Amount on account of Kurar Noaj Khan		26,000	0
	23.	.. Cash on account of Raee Nanuck Ram		330	0
		.. Sums from Yado Rao in part second kist: 23d instant - -	5,000 0		
		25th - - - -	5,000 0		
				10,000	0
Suffer.....	19.	.. Amount on account of Kurar Noaj Khan - - - - - -		13,045	0
		.. Cash from Ghoolam Mohummud Khan, 7th Zeehijj - - - - -		250	0
	6.	.. Amount on account Ramunna Pundit in part third kist - - -		4,000	0
	13.	.. Do. - do. - - -		4,000	0
		.. Do. of Ghoolam Mohummud Khan, 5th Rubbee oo sanee - - -		2,756	3
	17.	.. Cash received from do. - - -		2,000	0
		.. Hoondees received from do.:—			
		14th instant - -	225 0		
		15th - - -	200 0		
		18th - - -	1,695 0		
		19th - - -	226 0		
				2,346	0
	16.	.. Amount from Raee Nanuck Ram -		1,517	0
Rubbee ool awul	1.	Amount in account third kist on Ramunna Pundit - - - -		1,721	0
	3.	.. Cash received from Ramunna Pundit -		1,300	0
		.. Amount on account second kist on Yado Rao, 18th Suffer - - -		2,000	0
	4.	.. Cash received from Ramunna Pundit -		1,150	0
	6.	.. Cash received from do. in full of third kist - - - - -		2,329	0
		.. Amount from Yado Rao in part second kist - - - - - - -		11,000	0
	10.	.. Cash in part first kist of a tunkha on Goandoo Mull - - - -		4	0
		.. Sums received on account second kist on Yado Rao:			
		9th Rubbee ool awul	1,760 0		
		24th - - - -	1,000 0		
		28th - - - -	740 0		
				3,500	0
		.. Hoondees received from Ghoolam Mohummud Khan in part second kist:			
		23d instant - -	1,200 0		
		25th - - -	1,000 0		
				2,200	0
Rubbee oo sanee	22.	Cash received from Ghoolam Mohummud Khan - - - - -		100	0
		.. Cash received from do.			
		22d instant - -	200 0		
		28th - - -	100 0		
				300	0
	26.	.. Cash received from do. - - -		385	0
		.. Cash received from do:			
		25th instant - -	420 0		
		26th - - - -	1,080 0		
				1,500	0
		.. Cash received from do:			
		24th instant - -	100 0		
		25th - - -	275 0		
		28th - - -	100 0		
				475	0
		.. Cash received from do:			
		22d instant - -	36 0		
		25th - - -	25 0		
				61	0
	29.	.. Raee Nanuck Ram in full - -		5,538	0
	26.	.. Cash from Ghoolam Mohummud Khan		125	0
		.. Cash received from Ghoolam Mohummud Khan omitted, 24th Rubbee ool awul - - - - - -		41	0
			Carried forward - Rupees	4,33,801	6

[Account C.—Folio 7.]

RAJAH CHUNDOO LOLL'S *New Account in Account Current with* Messrs. WILLIAM PALMER and Co.

Dr. *HYDERABAD.* *Cr.*

				Hyderabad Rupees.	A.
H. 1238.			Brought forward -	4,33,801	6
Rubbee ool awul	5.	By cash in part Tunkha on Khooshall Sing		9,206	4
	..	Hoondies from Mohummed Namdar Khan		19,750	0
	..	Sums received on account Goandoo Mull:			
		3d instant - - -	1,503 0		
		6th - - - -	1,200 0		
		7th - - - -	2,173 0		
		8th - - - -	8,746 0		
				13,622	0
	..	Sundries:			
		Amount in full of first kist of Sureedur Rao, 3d Rubbee ool awul -	21,125 0		
			12,000 0		
			33,125 0		
		First kist from Manic Chund 1st Suffer	14,927 8		
		In part first kist from Namdar Khan:			
		3d 4,830 0			
		19th 10 0			
		28th 5,000 0			
			9,840 0		
		In part first kist on Raee Bal Chund 1st Rubbee ool awul - -	17,624 0		
			42,451 8		
				75,576	8
	..	Sums received from Namdar Khan:			
		11th Rubbee ool awul	4,000 0		
		13th - - - -	2,000 0		
				6,000	0
	19. ..	Cash received from Ramunna Pundit -		5,001	0
	7. ..	Amount received in full of first kist on Khooshall Sing - - - - -		1,000	0
	28. ..	Cash received from Yado Rao - -		2,114	0
	26. ..	Cash on account Mohummed Namdar Khan		2,242	13
	29. ..	Amount received on account Meer Jaffer Ali		10,000	0
	21. ..	Do. - do. - Namdar Khan		5,757	7
	..	Sums received on account Konaree Pundit:			
		1st Rubbee ool awul -	3,524 0		
		7th - - - -	1,476 0		
				5,000	0
Rubbee oo sanee	11. ..	Cash on account Jaffeer Ali - - -		1,000	0
	25. ..	Hoondee from Mootawar Khan - -		15,000	0
	28. ..	Amount from Yado Rao - - -		16,000	0
	..	Sums received from Ramunna Pundit:			
		14th instant - -	1,575 0		
		21st - - -	500 0		
		27th - - -	400 0		
				2,475	0
	..	Amount Hoondee received from Ghoolam Mohummud Khan - - - -		20,000	0
	27. ..	Cash on account Jaffeer Ali Khan - -		3,000	0
Jemadee ool awul	2. ..	Amount received from Mootawur Khan -		15,500	0
	..	Amount hoondees received from Ghoolam Mahomed Khan - - - -		15,192	5½
	..	Amount received from - do. -		9,807	10½
	1. ..	Cash from Sundries:			
		On account Jaffeer Ali Khan	1,500 0		
		From Ramunna Pundit -	1,500 0		
				3,000	0
	2. ..	Cash received on account Jaffeer Ali Khan		1,450	0
	3. ..	Cash received from Ramunna Pundit - - - -	1,550 0		
			750 0		
				2,300	0
	4. ..	Cash received from Jaffeer Ali Khan -		82	0
	..	Cash from sundries:			
		Jaffeer Ali Khan 4th inst. 58 0			
		5th - 335 0			
		7th - 900 0			
			1,293 0		
		Ramunna Pundit 6th - -	935 0		
				2,228	0
	..	Sums received from Ramunna Pundit:			
		8th Rubbee oo sanee -	2,000 0		
		12th - - - -	2,042 0		
				4,042	0
	..	Amount received from Ramunna Pundit, 8th Rubbee oo sanee - - - -		1,000	0
	..	Do. - from Yado Rao, 1st Rubbee oo sance - - - - - -		1,326	0
	6. ..	Received on account Mootawar Khan -		12,500	0
	4. ..	Cash from Jaffeer Ali Khan - - -		22	0
	5. ..	Do. - do. - - -		11	0
	10. ..	Do. - do. - - - -		71	0
	12. ..	Amount from Yado Rao - - -		4,500	0
	..	Received on account Mootawur Khan -		17,000	0
	..	Amount received from Ramunna Pundit -		2,000	0
	14. ..	Cash received from Jaffeer Ali Khan -		45	0
	..	Cash received on account - do.			
		11th instant - -	140 0		
		15th - - - -	500 0		
				640	0
	16. ..	Cash received from Ramunna Pundit -		1,850	0

[Account C.—Folio 8.]

RAJAH CHUNDOO LOLL'S *New Account in Account Current with* Messrs. WILLIAM PALMER and Co.

Dr. *HYDERABAD.* *Cr.*

H. 1823.		Hyderabad Rupees. A.
	Brought forward -	7,43,173 0
Jemadee ool awul	By cash received from sundries:	
	Ghoolam Mohummud Khan,	
	17th instant - - - 60 0	
	20th - - - - 150 0	
	21st - - - - 60 0	
	270 0	
	Yado Roo - - - 513 0	
		783 0
	.. Cash received from Ghoolam Mohummud Khan, 12th instant - 50 0	
	20th - - 100 0	
		150 0
22.	.. Cash from - do. - - - -	100 0
	.. Sums received from Namdar Khan:	
	19th instant - - 21,500 0	
	25th - - - - 10,250 0	
		31,750 0
	.. Cash received from Ghoolam Mohummud Khan :—20th inst. 100 0	
	22d - 80 0	
	180 0	
	From Jaffeer Ali Khan,	
	4th instant - - - 37 0	
		217 0
	.. Cash received from sundries:	
	Jaffeer Ali Khan,	
	4th instant - 75 0	
	5th - - 110 0	
	185 0	
	Yado Rao 24th instant - 2,000 0	
	Ghoolam Mohummud,	
	Khan, 24th instant - 70 0	
		2,255 0
	.. Cash received from sundries:	
	4th instant - 73 0	
	5th - - 14 0	
	87 0	
	Ramunna Pundit 27th instant 500 0	
	Ghoolam Mohummud Khan,	
	20th instant - - - 50 0	
		637 0
19.	.. Amount received from Namdar Khan	6,000 0
	.. Cash received from sundries:	
	Ramunna Pundit, 28th instant 2 0	
	Jaffeer Ali Khan, 29th Rubbee oo sanee - - - - 30 0	
		32 0
4.	.. Cash from Jaffeer Ali Khan - -	10 0
30.	.. Cash from Yado Rao - - -	2,250 0
Jemadee oo sanee 2.	.. Hoondee from Mootawar Khan -	10,000 0
	.. Amount received from Yado Rao, 20th Jemadee ool awul - - - -	237 0
4.	.. Sums received on account Manic Chund	14,987 8
9.	.. Cash received from Jaffeer Ali Khan -	70 0
	.. Hoondees on Bhow Ram Mootawar Khan :—8th instant - 9,000 0	
	12th - - 9,500 0	
	19th - - 11,500 0	
		30,000 0
10.	.. Amount received from Ghoolam Mohummud Khan - - - - -	5,000 0
	.. Cash received from Jaffeer Ali Khan, 9th Jemadee ool awul - - -	50 0
	.. Cash received from sundries:	
	Khooshall Sing, 17th inst. 11,935 0	
	Ramunna Pundit, 19th do. 5,000 0	
		16,935 0
17.	.. Amount received from Ramunna Pundit	456 0
20.	.. Do. from Mohummud Namdar Khan	6,160 0
21.	.. Cash received from Khooshall Sing -	2,000 0
25.	.. Draft received from Rajah Govind Buksh	20,000 0
24.	.. Sums received from Yado Rao - -	17,820 0
22.	.. Cash received from Sundries:	
	Khooshall Sing - 3,600 0	
	Ramunna Pundit - 2,000 0	
		5,600 0
24.	.. Cash received from sundries:	
	Ramunna Pundit - 2,775 0	
	Rajah Govind Buksh 2,000 0	
		4,775 0
1.	.. Cash received from Rajah Govind Buksh	1,750 0
	.. Amount received on account Mootawar Khan, 16th Rujeb - - - -	11,000 0
1.	.. Sums received from Rajah Govind Buksh	4,100 0
27.	.. Cash received from Yado Rao - -	1,000 0
29.	.. Do. - do. - - -	1,875 0
1.	.. Amount received from Rajah Govind Buksh - - - - - -	1,500 0
Rujeb ..... 1.	.. Do. - from Yao - -	1,000 0
	.. Cash from sundries:—Ramunna Pundit, 1st Rujeb - 3,000 0	
	Jaffeer Ali Khan, 4th Jemadee ool awul - 102 0	
	Khookoor Nursingh ham, 1st Rujeb - 280 0	
	382 0	
		3,382 0
	.. Amount received on account Rajah Govind Buksh, 1st Jemadee oo sanee -	1,900 0
3.	.. Cash received from Yado Rao - -	18 0
	.. Cash received from Jaffeer Ali Khan,	

[Account C.—Folio 9.]

RAJAH CHUNDOO LOLL'S *New Account in Account Current with* Messrs. WILLIAM PALMER and Co. *HYDERABAD.*

Dr. *Cr.*

H. 1238.		Hyderabad Rupees.	A.
	To amount from Folio 5 -	58,43,714	12¾
Rubbee oo sanee 30. ..	Interest to this date - - -	4,83,039	15¾
Rujeb ..... 26. ..	Charges on hoondees received on account of Mootawar Khan -	31	11
Shuwaul ..... 30. ..	Interest to this date - - -	4,57,253	7¾
		67,84,039	15¼

H. 1238.		Hyderabad Rupees.	A.
	Brought forward -	9,49,019	14
Rujeb ..	— By cash received from sundries :—		
	Yado Rao, 4th Rujeb - Rs. 3 0		
	Ramunna Pundit, 27th Jemadee oo sanee — 89 0		
	Cash, 4th Rujeb - - 3,000 0		
		3,092	0
10. ..	Received on account of Mootawar Khan	10,000	0
..	Cash received from Yado Rao - -	64	0
..	Amount received on account Girmojee Pundit - - - - - -	1,000	0
..	Sums received from Jaffeer Ali Khan :—		
	11th Jemadee oo sanee - Rs. 1,500 0		
	13th - - - - 1,500 0		
		3,000	0
..	Sums received in full first kist on Ramunna Pundit;—		
	19th Jemadee oo sanee - Rs. 500 0		
	3d Rujeb - - - 1,000 0		
		1,500	0
20. ..	Hoondee received from Mootawar Khan	9,500	0
26. ..	Do. received from do. - - - -	11,500	0
..	Amount received from Ramunna Pundit, 10th Rubbee oo sanee - - -	1,000	0
..	Do. from Jaffeer Ali Khan, 1st Shabaun	5,000	0
27. ..	Do. - do. - - - -	15,000	0
29. ..	Cash received from Ramunna Pundit -	800	0
..	Amount received from Kurar Noaj Khan, in full first kist for F. 1231, 30th Suffer	1,25,000	0
..	Do. third kist, F. 1231, 30th Mohurrum	54,597	0
10. ..	Amount received from Ramunna Pundit	2,065	0
Shabaun .. 1. ..	Do. - do. - do. - -	603	0
7. ..	Do. - do. - do. - -	600	0
	(Signed) WM. PALMER and Co.	11,93,340	14
Shabaun 25.	By amount from Kurar Noaj Khan, 30th Rubbee ool awul - - - -	1,00,789	0
25. ..	Do. - do. - do. - -	32	0
..	Do. from Ghoolam Mohummud Khan, 23d Rubbee oo sanee - - -	275	0
10. ..	Do. from Jaffeer Ali Khan, on hoondee	48	0
12. ..	Do. - do. - do. - -	122	7¾
14. ..	Do. - do. - do. - -	5	0
21. ..	Do. from Ramunna Pundit - - -	535	0
8. ..	Do. - do. - do. -	800	0
14. ..	Do. - do. - do. - -	500	0
20. ..	Do. - do. - do. - -	300	0
27. ..	Do. from Mootawar Khan - - -	11,000	0
28. ..	Do. from Jaffeer Ali Khan - - -	900	0
17. ..	Do. from Ramunna Pundit - - -	40	0
28. ..	Do. - do. - - - -	150	0
..	Do. - do. 4th Rumzaun -	14	0
Rumzaun 2. ..	Do. from Mootawar Khan -	10,000	0
3. ..	Do. do. - - -	14,000	0
7. ..	Do. - do. - - - -	11,000	0
11. ..	Do. - do. - - - -	9,500	0
14. ..	Do. from Ramunna Pundit - - -	105	0
17. ..	Do. from Mootawar Khan - - -	12,000	0
18. ..	Do. - do. - - - -	12,000	0
24. ..	Do. - do. - - - -	13,000	0
20. ..	Do. from Ramunna Pundit - - -	130	0
28. ..	Do. - do. - -	1,428	0
Shuwaul .. 2. ..	Do. - do. -	55	0
26. ..	Do. from Kurar Noaj Khan - -	1,400	0
20. ..	Do. from Jaffeer Ali Khan, Interest from Mr. French - - - -	129	0
		13,93,598	7
Zeekaud .. 1. ..	Balance due to us - Hyd. Rupees	53,90,441	8¼
		67,84,039	15¼

(Errors excepted.)

A true Copy.

(Signed) G. SWINTON,
Secretary to Government

[Account D.—Folio 1.]

RAJAH CHUNDOO LOLL, *in Loan Account Current with* Messrs. WILLIAM PALMER and Co.

Dr.

H. 1238.			Hyderabad Rupees.	A
Jemadee ool awul	1.	To balance - - - -	54,10,875	6½
Shuwaul.....	30.	.. Amount debit interest at 1½ per cent. - - -	4,86,978	12
		Carried forward - Rupees	58,97,854	2½

Cr.

H. 1238.			Hyderabad Rupees.	A.	Hyderabad Rupees.	A.
		By Sums received from Ghoolam Mohummud Khan ·				
Jemadee ool awul	26.	- - - - -	125	0		
Shabaun.....	23.	- - - - -	275	0		
					400	0
		From Jaffeer Ali Khan:—				
Jemadee ool awul	1.	- - - - -	1,500	0		
	2.	- - - - -	1,450	0		
	3.	- - - - -	750	0		
	4.	- - - - -	494	0		
	5.	- - - - -	527	0		
	7.	- - - - -	900	0		
	9.	- - - - -	120	0		
	10.	- - - - -	71	0		
	11.	- - - - -	140	0		
	15.	- - - -	500	0		
Rujeb.....	1.	- - - - -	280	0		
	11.	- - - - -	1,500	0		
	13.	- - - - -	1,500	0		
	27.	- - - - -	15,000	0		
Shabaun.....	1.	- - - - -	5,000	0		
	10.	- - - - -	53	0		
	12.	- - - - -	122	7¾		
	28.	- - - - -	900	0		
					30,867	7¾
		From Ramunna Pundit:—				
Jemadee ool awul	1.	- - - - -	1,500	0		
	3.	- - - - -	1,550	0		
	6.	- - - - -	935	0		
	12.	- - - - -	2,000	0		
	16.	- - - - -	1,650	0		
	27.	- - - -	500	0		
Jemadee oo sanee	17.	- - - - -	456	0		
	19.	- - - - -	5,500	0		
	22.	- - - - -	2,000	0		
	24.	- - - - -	2,775	0		
	27.	- - - - -	89	0		
Rujeb.....	1.	- - - - -	3,000	0		
	3.	- - - - -	1,000	0		
	4.	- - - - -	3,000	0		
	10.	- - - - -	2,065	0		
	25.	- - - - -	800	0		
		Carried forward - Rupees	29,020	0	31,207	7¾

[Account D.—Folio 2.]

RAJAH CHUNDOO LOLL, *in Loan Account Current with* Messrs. WILLIAM PALMER and Co.

Dr.

		Hyderabad Rupees	A.
Brought forward	-	58,97,854	2½
Carried forward	-	Rupees 58,97,854	2½

Cr.

H. 1238.		Hyderabad Rupees.	A.	Hyderabad Rupees.	A.
Brought forward	-	29,020	0	31,207	7¾
Shabaun ..... 1.	-	603	0		
7.	-	600	0		
8.	-	800	0		
14.	-	500	0		
20.	-	300	0		
21.	-	535	0		
17.	-	40	0		
18.	-	150	0		
Rumzaun ..... 4.	-	14	0		
14.	-	105	0		
20.	-	130	0		
28.	-	1,428	0		
Shuwaul ..... 2.	-	55	0		
Jemadee ool awul 28.	-	2	0		
				34,282	0
From the Rajah, on account of Ghoolam Mohummud Khan :—					
Jemadee ool awul 2.	-	25,000	0		
12.	-	50	0		
16.	-	20,000	0		
17.	-	60	0		
20.	-	400	0		
21.	-	60	0		
22.	-	180	0		
24.	-	70	0		
Jemadee oo sance 10.	-	5,000	0		
				50,820	
From Mootawar Khan :—					
Jemadee ool awul 2.	-	15,500	0		
6.	-	12,500	0		
12.	-	17,000	0		
Jemadee oo sance 2.	-	10,000	0		
8.	-	9,000	0		
12.	-	9,500	0		
19.	-	11,500	0		
Rujeb ..... 10.	-	10,000	0		
16.	-	11,000	0		
20.	-	9,500	0		
26.	-	11 468	5		
Shabaun ..... 27.	-	11,000	0		
Rumzaun ..... 2.	-	10,000	0		
3.	-	14,000	0		
7.	-	11,000	0		
11.	-	9,500	0		
17.	-	12,000	0		
18.	-	12,000	0		
24.	-	13,000	0		
				2,19,468	5
Carried forward		Rupees		3,35,777	12¾

[Account D.—Folio 3.]

RAJAH CHUNDOO LOLL, *in Loan Account Current with* Messrs. WILLIAM PALMER and Co.

Dr.

H. 1238.		Hyderabad Rupees. A.
	Brought forward -	58,97,854 2½
	Hyd. Rupees	58,97,854 2½

Cr.

H. 1238.			Hyderabad Rupees. A.
	Brought forward -		3,35,777 12¾
	From Yado Rao :—		
Jemadee ool awul	6. - - - -	Rs. 1,386 0	
	12. - - - -	4,500 0	
	19. - - - -	513 0	
	20. - - - -	237 0	
	24. - - - -	2,000 0	
	30. - - - -	2,250 0	
Jemadee oo sanee	24. - - - -	17,820 0	
	27. - - - -	1,000 0	
	29. - - - -	1,875 0	
Rujeb	1. - - - -	1,000 0	
	4. - - - -	3 0	
	10. - - - -	64 0	
	18. - - - -	18 0	
			32,666 0
	From Namdar Khan :—		
Jemadee ool awul	19. - - - -	27,500 0	
	25. - - - -	10,250 0	
Jemadee oo sanee	20. - - - -	6,160 0	
			43,910 0
	4. From Manick Chund - - -		14,987 8
	From Khooshall Sing :		
	17. - - - -	11,935 0	
	21. - - - -	2,000 0	
	22. - - - -	3,600 0	
			17,535 0
	1. From Goandoo Mull - - -		31,250 0
	From Kurar Noaj Khan :—		
Shabaun	25. - - - -	32 0	
	26. - - - -	1,400 0	
			1,432 0
Shuwaul	20. Received interest from Mr. French for Jaffeer Ali Khan - -		129 1¼
			4,77,687 6
	30. By amount credit interest - -		29,725 4¼
	By balance due to us - - -		53,90,441 8¼
	Hyd. Rupees		58,97,854 2½

A true Copy.

(Signed) G. SWINTON,
Secretary to Government.

Enclosures in Bengal Political Letter, 31 July 1823.

(Enclosure No. 3 in Bengal Political Letter of 31st July 1823.)

Letter from Resident at Hyderabad.

To G. Swinton, Esq., Secretary to Government.

Sir:

1. I have the honour to transmit a copy of a letter from Messrs. William Palmer and Co., with an enclosure, for the commands of the Honourable the Governor-General in Council.

2. They claim payment of the allowances to the Palmer family up to the date when I announced to them, on the part of the Nizam's Minister, that those allowances had ceased and been revoked; but I do not consider myself at liberty to make the application which they desire, without the previous sanction of the Honourable the Governor-General in Council.

3. If a retrospect be taken to the time when the propriety of those clandestine allowances was first questioned, or their existence reported, there will be no claim for any arrear: or if that be deemed a harsh proceeding, the time when Messrs. William Palmer and Co. were ordered to suspend payment of those allowances, offers another period, beyond which they can hardly have any claim. The allowances being perfectly gratuitous, and not in return for any service rendered to the state; being, moreover, extravagant beyond measure, scandalous, unwarrantable, and injurious to the Government, I doubt whether the rules applicable to a reduction of allowances in ordinary cases be admissible in the present instance.

I have, &c.

Hyderabad Residency,
12th July 1823.

(Signed) C. T. METCALFE,
Resident.

Letter from Messrs. W. Palmer and Co.

To Sir C. T. Metcalfe, Bart., Resident, &c. &c. &c., Hyderabad.

Sir:

We have the honour to acknowledge the receipt of your letter of 8th July. Mr. William Palmer begs to submit to you an account of the allowances due to him, his brother, and his children, by the enclosed English and Persian papers, and solicits the favour of your obtaining payment of them from the Nizam's Government.

We have, &c.

Hyderabad,
12th July 1823.

(Signed) W. PALMER and Co.

ACCOUNT OF ALLOWANCES.

	Hyderabad Rupees.	A.
From 9th Zeehijj 1237 Hejira, to 29th Shuwaul 1238 Hejira, corresponding to 8th July 1823, being the 14th Ameerdad allowance due to Mr. William Palmer, being ten months, fourteen days, at two thousand rupees per month	20,933	5
To allowance for sepoys, at three hundred and twenty rupees per month, for above period	3,349	5
To Mr. William Palmer's children for above period, at two thousand four hundred rupees per month	25,120	0
To Mr. Hastings Palmer for above period, at one thousand rupees per month	10,466	10
Hyderabad Rupees	59,869	4

(Signed) W. PALMER.

Hyderabad,
12th July 1823.

Enclosures in Bengal Political Letter, 31 July 1823.

Letter from Resident at Hyderabad.

(Enclosure No. 4 in Bengal Political Letter of 31st July 1823.)

To G. Swinton, Esq., Secretary to Government.

Sir:

1. I now submit the only remaining account* of Messrs. William Palmer and Co. It is called their Berar Sewar account, and relates to the payment of horse in Berar. It has been copied here.

2. I have nothing to observe respecting this account. It is impossible for me to say whether the charges are all fair or otherwise. Supposing all the disbursements to have been *bonâ fide* for the payment of the horse, it is one of the least objectionable of the accounts rendered. This and the Aurungabad account class together, being both, if correctly stated, for clearly public purposes. The balance of this account was transferred to the Hyderabad account.

3. All the accounts delivered in by Messrs. William Palmer and Co., relating to their transactions with the Nizam's Government, are now before the Honourable the Governor-General in Council.

I have, &c.

Hyderabad Residency,
14th July 1823.

(Signed) C. T. METCALFE,
Resident.

* Account E, vide next page.

Account

[Account E.—Folio 1.]

RAJAH CHUNDOO LOLL'S *Berar Suwars in Account Current with* Messrs. WILLIAM PALMER and Co.

Dr. *Cr.*

F. 1226 :— H. 1321.			Hyderabad Rupees.	A.
Zeehijj ..	28.	To cash paid on draft of Raee Boochurmul	861	0
	29. ..	Do. - do. - do. - -	695	0
H. 1232.				
Mohurrum	5. ..	Trf. on - do. - do. - -	2,500	0
Suffer	5. ..	Do. - do. - do. - -	500	0
	..	Do. - do. 29th Zeehijj 1231	13,120	0
Mohurrum	6. ..	Cash paid on draft of Raee Boochurmul	5,000	0
	5. ..	Do. - do. - do. - -	1,900	0
	..	Trf. on - do. - do. - -	9,560	0
	12. ..	Cash *on draft* 10,990 *in full* - - -	1,430	0
	13. ..	Trf. on draft of Raee Boochurmul -	260	0
Suffer	6. ..	Do. - do. - do. -	1,000	0
	..	Cash paid do. - do. -	2,000	0
	..	Trf. on - do. - do. - -	1,125	0
	5. ..	Cash paid do. - do. - -	900	0
	6. .	Do. - do - do. - -	2,000	0
	..	Trf. on - do. - do. - -	1,000	0
	..	Cash paid in note of Raee Boochurmul, 9th Mohurrum - - - -	20,000	0
	..	Cash paid on draft of do. -	110	0
	..	Do. - do. do -	940	0
	1. ..	Trf. on 2 do. do. -	1,500	0
	6. ..	Do. 1 do do. - -	1,200	0
Rubbee oul awul	7. ..	Cash paid 2 do. - do.	470	0
Loss by Raee Boochurmul.	6. ..	Trf. monthly allowance of Jesroop	1,200	0
	.	Do - do Meer Jumaun Ali	500	0
	..	Do. on draft of Raee Boochurmul	1,125	0
	.	Our draft on Jumnadas of Aurungabad, as follows —		
		19th Mohurrum 1232, for	2,000	0
		24th - -	6,000	0
		25th -	8,000	0
		26th Suffer	3,000	0
		25th	30,000	0
		27th	20,000	0
		28th	1 000	0
		29th	11,700	0
		29th Zeehijj 1231	3,300	0
			85,000	0
Rubbee oo sanee	1	. Trf on draft of Raee Boochurmul -	17,260	0
	2	Do do. do	3,110	0
By Raee Boochurmul.	5	. Cash paid Khoosaulchund	440	0
	12	. Do. Madho's allowance	30	0
	26.	. Do Synd Ameer's do	440	0
		Carried forward - Rupees	1,77,176	0

H. 1232 :— F. 1227.			Hyderabad Rupees.	A.	Hyderabad Rupees.	A
Mohurrum..	12.	By Cash - - - - - -			4,000	0
	29. ..	A draft on Kurar Noaz Khan			10,000	0
Jemadee ool awul	1. ..	Do. - - do. - - -			15,000	0
Rujeb	1. ..	Do. - - do. - - -			10,000	0
Shabaun	1. ..	A trf. Rao Nanuck Ram -			1,07,000	0
	.	Do. Shanker Khan, as follows.				
		2d Rubbee oo sanee	13,556	14½		
		29th Jemadee ool awul	74,334	0		
					87,890	14½
	.	Kurar Noaz Khan's two drafts due 1st Zeekaud - - - -			38,000	0
Rumzaun....	30. ..	Moiety of gain or exchange account			1,811	10½
		Carried forward - Rupees			2,73 702	9

[Account E.—Folio 2.]

RAJAH CHUNDOO LOLL's *Berar Suwars in Account Current with* Messrs. WILLIAM PALMER and Co.

Dr.

H. 1231 :— F. 1226.			Hyderabad Rupees.	A.
		Brought forward -	1,77,176	0
Rubbee oo sanee	27.	To cash paid in part of draft for Rupees 23,000 - - - - - - -	13,000	0
	..	A trf. in full of - do. - - -	10,000	0
Jemadee ool awul	7.	.. Cash paid Madheo Rao's allowance -	30	0
Rubbee oo sanee	6.	.. Do. Rezza Ali Khan's do. -	1,000	0
Jemadee ool awul	6	.. Do. - do. - do.	1,000	0
—		.. Do. Mahdeogur Goosain's do.	1,200	0
Rubbee oo sanee	6	.. Do. - do. - do.	1,200	0
Jemadee ool awul	6	.. Do. Meer Jummaunt Ali Bohkam's allowance - - - - -	500	0
Rubbee oo sanee	6	.. Do. - do. - do. - -	500	0
	6	.. Do. Rezza Ali Khan's allowance -	1,125	0
Jemadee ool awul	6	.. Do. - do. - do. - -	1,125	0
—		.. Our draft on Jumnadas of Aurungabad, as follows :—		
		29th Suffer last for Rs. 7,000 0		
		1st Rubbee ool awul - 3,000 0		
		9th - - - - 7,500 0		
		27th Rubbee oo sance - 4,000 0		
		3d Jemadee ool awul 2,000 0		
		11th - - do. - - 1,500 0		
			25,000	0
	11.	.. Our draft on Jummadas of Aurungabad	8,800	0
	26.	.. Do. - do. - - do. -	1,6000	0
	27.	.. Do. - do. - - do. -	10,200	0
Jemadee oo sanee	1.	.. Cash paid allowance for Jemadee ool awul - - - - - - -	440	0
	2.	.. Do. - - do. - Mahdeo Rao's	30	0
		.. A trf. Mahdeogur Goosain's allowance -	1,200	0
	1.	.. Do. Dyaram Jusroop Chund Muckhun	1,000	0
		.. Do. Rezza Ali Khan - - - -	1,125	0
	10.	.. Cash paid in part of draft, Rs. 26,000 -	6,000	0
	12.	.. Do. - in full of - do. - -	20,000	0
	6.	.. A trf. Meer Jummaunt Ali Bhokaree -	500	0
Rujeb	2.	.. Cash paid in draft of Race Boochurmul	440	0
	6.	.. Do. Mahdeo Rao's allowance - -	30	0
		.. A trf. Mahdeogur's do. - - -	1,200	0
		.. Do. Dyaram Jusroop Chund Mukhun -	1,000	0
		.. Do. Rezza Ali Khan - - - -	1,125	0
		.. Do. Jumayet Ali Bohkaree - - -	500	0
Jemadee oo sanee	27.	.. Do. Jumnadas of Aurungabad - -	30,000	0
Shabaun ..	1.	.. Our draft on do. of do. - - -	40,000	0
	6.	.. A trf. on Race Boochurmul, certificate as follows :—		
		Rezza Ali Khan - Rs. 1,125 0		
		Muhdeogur Goosain 1,200 0		
		Jumayet Ali Bhokaree 500 0		
		Mahdeo Ram and Jewun Ram - - - 30 0		
			2,855	0
	20th	Paid Syud Ameer's allowance - - -	440	0
		Carried forward - Rupees	3,75,741	0

Cr.

	Hyderabad Rupees.	A
Brought forward -	2,73,702	9
Carried forward Rupees	2,73,702	9

By desire of Rajah Chundoo Loll.

[Account E.—Folio 3.]

RAJAH CHUNDOO LOLL'S *Berar Suwars in Account Current with* Messrs. WILLIAM PALMER and Co.

Dr.

H. 1232 :— F. 1226.		Hyderabad Rupees.	A.
	Brought forward -	3,75,741	0
Rumzaun	4. To paid Kooshall Chund's allowance -	440	0
	8. .. Trf. on account as follows :—		
	Mahdeogur Goosain - Rs. 1,200 0		
	Rezza Ali Khan - - 1,125 0		
	Jumayet Ali Bakaree - 500 0		
		2,825	0
	.. Hoondees on Jumna Dos of Aurungabad as follows :		
	28th Shabaun - - 10,000 0		
	18th Rumzaun - - 37,000 0		
	23d - - - - - 3,000 0		
		50,000	0
	30. .. Balance of interest to this date at two per cent. - - - - -	24,740	8
	Hyd. Rupees	45,37,46	8

Cr.

		Hyderabad Rupees.	A.
	Brought forward -	2,73,702	9
Rumzaun	30. By balance due to us - - - -	1,80,043	15
	Hyd. Rupees	4,53,746	8

Hyderabad.
E. E.

(Signed) WM. PALMER and Co.

[Account E.—Folio 4.]

RAJAH CHUNDOO LOLL'S *Berar Suwars in Account Current with* Messrs. WILLIAM PALMER and Co.

Dr.

H. 1232 :— F. 1226			Hyderabad Rupees.	A.
Shuwaul ...	1.	To balance of last account - - -	1,80,043	15
	2.	To trf. on draft of Raee Boochurmull allowance of two months to Mahdeo Rao and Jewen Rao - - -	60	0
	6.	.. Trf. Madeozen Goosain's allowance -	1,200	0
	7.	.. Paid Runjut Sing's - do. -	440	0
	28.	.. Our draft on Jumna Dos of Aurungabad favour of Raee Boochurmull -	25,000	0
Zeekaud. ...	4.	.. Paid Syed Ameer's allowance - -	440	0
	3.	.. A trf. Jumna Dos of Aurungabad -	25,000	0
	11.	.. Our draft on do. favour of Raee Boochurmull - - - - -	50,000	0
H. 1223 :—F. 1227.				
Mohurrum	26.	.. Two bills on Sunnaee Ram and Delsookay	30,000	0
Suffer.....	4.	.. Our draft on Jumna Dos of Aurungabad	25,000	0
	10.	.. Six Hoondees - - - - -	38,000	0
		.. A Hoondee on Alkhee Chund Bannee Chund - - - - 1,500 0		
		.. A Hoondee on Mungnu Ram Jaitmul - - - 1,000 0		
			2,500	0
	11.	.. A Hoondee on Buksheeram and Soomut Ram - - - - - - -	9,500	0
	10.	.. Paid Rumgum Shroff at Nandair as per his receipt, and Rajah Chundoo Loll's note Sicca Rs. 50,000 at seven per cent. - - - - - -	53,500	0
		.. A trf. on order of Raee Boochurmull to Meer Jamaunt Ali Bokharee as follows:		
		6th Shuwaul, H. 1232 - 500 0		
		6th Zeekaud - - - 500 0		
		6th Zeehijj - - - 500 0		
		6th Mohurrum, H. 1232 500 0		
		6th Suffer - - - 500 0		
			2,500	0
Rubbee ool awul	19.	Cash paid Rajah Chundoo Loll *on receipt* - - - - - - -	30,000	0
	23.	.. Cash *paid Mohummud Khan and Chinnum Loll on receipt* - 2,100 0		
		.. Trf. Mahdeo Rao and Jewen Rao's allowance for Mohurrum and Suffer - - 120 0		
			2,220	0
Rubbee oo sanee	8.	Resident's treasury favour of H. Russell, Rs. 21,806, and pre. at three per cent. - - - - - - -	22,460	7
	30.	.. A Hoondee for N. Rs. 6,250 at 9¾ per cent.	21,950	0
		.. Two do. - 13,750		
		.. One do. - 7,000 at do. -	7,682	8
		.. One do. - 2,000 at nine per cent. - - - - - -	2,180	0
		.. Two do. - 15,000 at do. -	16,350	0
		.. Brokerage on the above bills - -	10	10
		.. Bill for N. Rs. 4,000 at nine per cent. and brokerage - - - -	4,362	8
	10.	.. Paid Mahdeo Rao and Jewen's allowance - - - - - -	60	0
		Carried forward - Hyd. Rupees	5,50,460	0

Cr.

H. 1232 :— F. 1226.			Hyderabad Rupees.	A.
Zeehijj.....	1.	By received kist in part of a tunkha of Rs. 1,07,000 - - - - - -	40,000	0
		.. - do. - - do. - -	25,000	0
H. 1232 :—F. 1227.				
Suffer.....	5.	.. - do. first kist of do. Rs. 70,000	17,500	0
	16.	.. - do. in full of tunkha, F. 1226	40,000	0
	18.	.. - do. - do. - -	2,000	0
Rubbee ool awul	29.	- do. from Huzarcemull Deenanath - - - - - - -	25,000	0
Jemadee ool awul	6.	- do. Kurar Noaj Khan in part of a tunkha of 23d instant - -	25,000	0
		.. A Raee Nanuck Ram first kist of a tunkha, 1st Rubbee ool awul last -	91,250	0
		.. Do. from Ushroof-ood Dowlah on account of tunkha as follows:		
		30th Jemadee oo sanee last - - - 10,000 0		
		30th Jemadee ool awul 7,500 0		
			17,500	0
		.. Do. Raee Nanuck Ram, kist due 1st Jemadee ool awul last - - -	91,250	0
Rumzaun ..	1.	.. Do - trf. on tunkha - -	91,250	0
		Carried forward Hyd. Rupees	4 65,750	0

[Account E.—Folio 5.]

RAJAH CHUNDOO LOLL'S *Berar Suwars in Account Current with* Messrs. WILLIAM PALMER and Co.

Dr.

H. 1233:— F. 1227.				Hyderabad Rupees.	A.
		Brought forward	-	5,50,460	0
Jemadee ool awul	24.	To trf. balance of Raee Boochurmull	-	1,283	0
	23.	To trf. Race Boochurmull, error in entry on 24th Rubbee oo sanee last	- -	900	0
Jemadee oo sanee	5.	Fourteen bills on Aurungabad, Rs. 30,000, at three and a half per cent. - - Rs.31,050 0			
		.. Eight do. on Nagpore, Rs. 26,500, at seven and a half do. - - - - - 28,487 8			
		.. Brokerage on the above bills 31 4			
				59,568	12
	9.	.. Two bills in Nagpore for Rs. 3,500, at seven and a half per cent., and brokerage - - - - - -		3,764	11
	6.	.. Trf. Mahdea Rao and Jewen Rao's allowance - - - - - - -		60	0
		.. Balance of interest to 1st Rubbee oo sanee		28,589	14½
		.. Rajah Chundoo Loll, exchange account trf. balance of, closed 1st Rubbee oo sanee - - - - - - -		4,803	3
Rujeb	9.	.. Cash paid premium on a bill for Nagpore Rupees 8,193. 8, at 9-1 per cent. -		197	13
	17.	.. Two bills for Nagpore Rupees 10,000, at seven and a quarter per cent. -		10,725	0
	21.	.. Three bills for Nagp. Rs.13,000, at seven and a quarter per cent. Rs. 13,942 8			
		.. One bill for Nagp. Rs.10,000, at one per cent. - - 10,100 0			
		.. Two bills for Nagp. Rs.5,000, at three quarters per cent. 5,037 8			
				29,080	0
		.. Brokerage on the above bills - -		21	11
		.. Two bills for Rupees 10,000, at one per cent. - Rs. 10,100 0			
		.. One bill for Rs. 2,000, at one per cent. - 2,020 0			
				12,120	0
Shabaun ..	17.	.. Eleven bills on Omrawutty for Rupees 50,000, at four per cent. -		52,000	0
		.. Brokerage on the above bills		15	10
		.. Trf. Madheo Rao's Vakeel's allowance, as follows.—			
		30th Jemadee oo sanee Rs. 30 0			
		30th Rujeb 30 0			
		30th Shabaun 30 0			
				90	0
Rumzaun	6.	.. Cash paid for a bill on Omrawutty, Rs. 3,900, at three per cent. -		4,017	0
	7.	.. Six hoondees, Rs. 30,000, at three per cent. Rs. 30,900 0			
		.. Two hoondees, Rs. 9,100, at three and a half per cent. 9,418 8			
		.. One hoondee, Rs. 5,000, at 3.1 per cent. - 5,153 2			
		.. One hoondee, Rs. 2,000, at two and a half per cent. - 2,050 0			
			47,521 10		
		.. Brokerage on the above bills 31 4			
				17,552	14
		.. A trf. draft on us for Rs. 12,374. 11, at one and a quarter per cent. premium, 5th Rujeb last		12,529	6
		.. A trf. Meer Moozuffer Ali's allowance for Suffer, omitted in account 6th Rubbee ool awul -		500	0
	30.	.. Balance of interest at two per cent.		36,410	0
		Hyderabad Rupees		8,54,689	14½

Cr.

H. 1233:— F. 1227.			Hyderabad Rupees.	A.
		Brought forward -	4,65,750	0
Rumzaun	30.	By balance due to us - - - -	3,88,939	1½
		Rupees	8,54 689	14½

[Account E.—Folio 6.]

RAJAH CHUNDOO LOLL'S *Berar Sunars in Account Current with* Messrs. WILLIAM PALMER and Co.

Dr.

			Hyderabad Rupees. A.	Hyderabad Rupees. A.
H. 1233.— F. 1227.				
Shuwaul....	1.	To Balance of last account - - -		3,88,939 1½
	11.	To Seven bills on Omrawutty Rs. 50,000 at 3 per cent. - - - -		51,500 0
	30.	.. Paid draft to Raee Khooshall Chund		3,400 0
Zeekaud....	4.	.. Five bills on Omrawutty Rs. 46,600 at 3 per cent. - - - -		47,998 0
		.. A trf. allowance of Mahdeo Rao and Jewen Rao:		
		From 1st Shuwaul -	30 0	
		1st Zeekaud -	30 0	
		1st Zehijj - -	30 0	
		1st Mohurrum -	30 0	
				120 0
H. 1224.— F. 1228.				
Mohurrum..	1.	To a bill on Nagpore for Rs. 30,000, at 10 per cent. and brokerage - -		25,314 6
	3.	.. One - do. 2,000, at 9½ per cent. - -	2,190 0	
		.. Four - do. 15,000, at 10 per cent. - -	16,500 0	
		.. Brokerage on the above five bills - - -	10 10	
				18,700 10
		.. Five bills on Nagpore for Rs. 15,000, at 10 per cent. - - - -		16,500 0
	5.	.. Two - do. - - 10,000, at 10 per cent. - - -		11,000 0
		.. Three - do. - - 18,000, at 10 per cent. - - - -		19,800 0
		.. Brokerage on the above five bills -		17 8
	7.	.. Five bills on Nagpore, for Rs. 17,000, at 10 per cent. - - - -		18,700 0
	8.	.. Three - do. - 10,000, at 10 per cent. - - - -		11,000 0
		.. Brokerage on the bills - - -		16 14
Suffer.....	13.	.. Paid Mahdeo Rao's allowance -		30 0
Through Raee Boochurmul.	22.	.. Twelve bills on Nagpore for Rupees 1,23,359, at 8. 2 per cent. -		1,33,382 8½
		.. A trf. Rada Kishen, jeweller, N. Rupees, 1,641, at 8. 2 per cent. - -		1,774 5
Rubbee ool awul	27.	Rajah Chundoo Loll's draft on us Bagh Rs. 8,840, at 1 per cent. prem. -		8,928 6½
Jemadee ool awul	6.	Eleven bills on Nagpore for Rupees 1,00,000 at 8. 2 per cent. -		1,08,125 0
		.. Five do. on Aurungabad Rs. 10,000 at ½ per cent. - - - -		10,050 0
		.. Mahdeo Rao and Jewen Rao's allowance as follows:		
		1st Rubbee ool awul -	30 0	
		1st Rubbee oo sanee -	30 0	
		1st Jemadee ool awul -	30 0	
				90 0
Jemadee oo sanee	10.	Rajah Chundoo Loll's draft on us for Bombay Rs 20,000, at 1½ per cent.		20,300 0
		.. Balance of interest to this date 6 months 30th Rubbee ool awul - - -		55,663 5½
		.. Do. - do. - 2 months 30th Jemadee ool awul - -		28,433 0
		Carried forward - Rupees		9,79,783 1½

Cr.

			Hyderabad Rupees. A.
H. 1233:— F. 1228.			
Zeehijj....	13.	By received in payment of a tunkha of 1st Shuwaul - - - - -	25,000 0
H. 1234.			
Mohurrum	1.	.. Difference of exchange on Rs. 3,000, at ½ per cent. - - - - -	15 0
Suffer	5.	.. Received in payment of a tunkha - -	17,500 0
		.. Do. - do. of do. for Rupees 3,65,000, 1st Zeehijj last -	91,250 0
		.. Received in full of the last kist. of a tunkha as follows:	
		1st Zeekaud, 1223 -	12,666 11
		22d Mohurrum, 1234 -	673 5
		23d - do. - -	3,660 0
		5th Suffer - -	500 0
			17,500 0
		Carried forward - Rupees	1,51,265 0

[Account E.—Folio 7.]

RAJAH CHUNDOO LOLL'S *Berar Suwars in Account Current with* Messrs. WILLIAM PALMER and Co.

Dr. *Cr.*

H. 1234.		Hyderabad Rupees.	A.
	Brought forward - -	9,79,783	1¼
Jemadee ool awul 30.	To a trf. Meer Mozuffer Ali Bokharee's allowance - - - - - -	500	0
	.. Mahdeo and Jewen Rao's allowance :—		
	6th Jemadee oo sanee Rs. 30 0		
	6th Rujeb - - 30 0		
	———	60	0
Rujeb .... 1.	.. Meer Mozuffer Ali Bokharee's allowance	500	0
26.	.. Eleven bills on Nagpore for Rs. 1,02,000, at eight per cent. - - - -	1,10,160	0
Shabaun .. 1.	.. Meer Mozuffer Ali Bokharee's allowance	500	0
14.	.. Two drafts on Aurungabad in part draft 20,000 - - - - - - -	16,685	0
	.. Cash paid in full of Rs. 20,000 - -	3,315	0
19.	.. A trf. Raee Boochurmul - - -	27,153	0
Rumzaun 1.	.. Meer Mozuffer Ali Bokharee's allowance	500	0
12.	.. Cash paid for a bill on Aurungabad for Rs. 7,000, at fourteen annas per cent. Rs. 7,061 4		
	Do. Rs.5,000, at eight per cent. 5,025 0		
	———	12,086	4
	.. A bill on Aurungabad for Rs. 5,000, at fourteen annas per cent. - - -	5,043	12
	.. Brokerage on the above bills - -	10	10
13.	.. A bill on Aurungabad for Rs. 60,000, at one per cent. - - -	60,600	0
14.	.. Seven do. do. for Rs. 23,000, at do. - - - 23,230 0		
	.. One do. do. for Rs. 1,350, one per cent. 1,365 3		
	.. Brokerage on seven bills 14 6		
	———	24,609	9
12.	.. A trf. Raee Boochurmul for 1,12,000 on Aurungabad Rupees 10,650, at one per cent. - -	10,756	8
	.. Raee Boochurmul, exchange on Rupees 3,778, at one per cent., in part of the Rajah's draft for Rs. 27,153	37	12
23.	.. Cash paid for Nagpore Rupees 1,500, at seven per cent., and brokerage -	1,605	15
	Rupees	12,53,906	7¼

H. 1234 :— F. 1228.		Hyderabad Rupees.	A.
	Brought forward -	1,51,265	0
Rumzaun 29.	By balance due to us - - -	11,02,641	7¼
	Rupees	12,53,906	7¼

Hyderabad 1st.
E. E.
(Signed)

[Account E.—Folio 8.]

RAJAH CHUNDOO LOLL'S *Berar Sircars in Account Current with* Messrs. WILLIAM PALMER and Co.

Dr. *Cr.*

				Hyderabad Rupees.	A.
H. 1234 :— F. 1228.					
Shuwaul....	1.	To Balance of last account - -		11,02,641	7¼
	6.	To A bill on Aurungabad for Rs. 9,000 at three quarters per cent. -		9,067	8
		.. Trf. Major W. Woodhouse *the Rajah's in favour of Major Pitman* - -		5,981	0
	30.	.. Balance of interest to this date at two per cent. - 96,010 4			
		.. Interest on account of Meer Mozuffur Ali - × 277 13¼			
		.. Do. Sheik Kurrum Ali - 19 7½			
			96,307 8¾		
Draft in his favour 4,377 13.		.. A trf. Meer Mozuffer Ali balance of his account - 4,100 0			
		.. Deduct three months' allowance received in part - 1,500 0			
			2,600 0		
		.. Do. Sheik Kurrum Ali, on account of Meer Mozuffer Ali as follows:			
		1st Rujeb - 150 0			
		12th Shabaun 100 0			
		1st Rumzaun 100 0			
			350 0		
Through Raee Boochurmul.		.. Mahdeo Rao and Jewen Rao's allowance:			
		6th Shabaun - 30 0			
		6th Rumzaun 30 0			
		6th Shuwaul - 30 0			
			90 0		
				99,347	8¾
Zeekaud....	30.	.. Raee Boochurmul for Rajah Chundoo Loll's draft for Rs. 1,34,000 in part		12,500	0
Zeehijj	6.	.. Rajah Chundoo Loll's draft for Rupees 8,160 at half per cent. - -		8,200	12¾
	13.	.. Captain Wells' draft on the Resident at Hyderabad for Rs. 50,000 at three quarters per cent. transferred on the Resident's note of this date giving cover to one from the Rajah - -		50,375	0
	26.	.. Cash paid Boochurmul on note -		1,000	0
	9.	.. Do. - Rajah Davee Doss at Aurungabad - - - -		1,09,000	0
	13.	.. Difference of premium on Rs. 50,000 procured at different rates and charged at three quarters per cent. - -		58	0½
Mohurrum..	17.	.. Rajah Chundoo Loll draft on us for the payment of Captain Wells' Horse Bg. Rs. - - - - -		54,000	0
		.. Mahdeo Roa Jewen Rao's salary as follows:			
		6th Zeekaud - -	30 0		
		6th Zeehijj - -	30 0		
		6th Mohurrum - -	30 0		
		6th Suffur - -	30 0		
				120	0
Draft Boochurmul for Rupees 14,000.	29.	.. A trf. Raee Boochurmul -	13,390 0		
		.. Do. Mohmood Noaz Khan	28 0		
		.. Do. Sooltan Hoossain Khan	582 0		
				14,000	0
		.. Our draft on Raee Rajah Ram in part of Rajah Chundoo Loll's draft for Rupees 25,000 favour Raee Boochurmul 15th Zeehijj H. 1234.		12,500	0
		Carried forward - Rupees		14,78,791	5¼

[Account E.—Folio 9.]

RAJAH CHUNDOO LOLL'S *Berar Sunars in Account Current with* Messrs. WILLIAM PALMER and Co

Dr. *Cr.*

				Hyderabad Rupees.	A.
			Brought forward -	14,78,791	5¼
Suffer...	19.	To Cash paid to Captain R. Parker at Aurungabad on account of Raee Boochurmul's Resalah - -		75,000	0
	20.	.. Do. - do. - -		35,000	0
	21.	.. Do. - do. - - -		12,166	0
		.. Premium on Rs. 54,000, at 2 per cent. 17th Mohurrum - -		1,080	0
	29.	.. Rajah Chundoo Loll's draft on us favour of Mirza Khulul Ali Beg - -		10,000	0
Rubbee oo sanee	2.	.. Raee Boochurmul trf. draft of the Rajah		10,000	0
	14.	.. Do. - - do. of the Rajah in his favour - - - - -		7,660	0
		.. Two drafts on Jummadas of Aurungabad for Rupees 12,357 at ½ per cent.		12,418	12½
		.. Mahdeo Rao Jewen Rao's allowance as follows			
		6th Rubbee ool awul -	30 0		
		6th Rubbee oo sanee -	30 0		
Jemadee ool awul	6.	.. Do. - - - -	30 0		
				90	0
	3.	.. Rajah Chundoo Loll's draft on us favour of Raee Boochurmul - -		5,000	0
		.. Do. - do. - favour of Mirza Khutub, &c. - - - - -		14,000	0
Rubbee oo sanee	30.	.. Interest to this date at 2 per cent.		1,75,619	10½
			Rupees	18,36,825	12¼

H. 1235 :— F. 1229.

		Hyderabad Rupees.	A.
Rumzaun	18. By balance due to us - -	18,36,825	12¼
	Rupees	18,36,825	12¼

Hyderabad E. E. (Signed) WM. PALMER and Co.

H. 1235:— F. 1229.

Rumzaun	19.	To balance brought down - - -	18,36,825	12¼
Shuwaul..	30.	.. Interest to this date - - - -	2,20,393	10¾
		Rupees	20,57,219	7

H. 1235:— F. 1229.

Shuwaul..	30.	By balance transferred to Rajah Chundoo Loll - - - - - -	20,57,219 7
		Rupees	20,57,219 7

Hyderabad. (Signed) W. PALMER and Co.

(A true Copy)

(Signed) G. SWINTON,
Secretary to Government

Enclosures in Bengal Political Letter, 31 July 1823.

(Enclosure No. 5. in Bengal Political Letter of 31st July 1823.)

Letter from Resident at Hyderabad.

To G. Swinton, Esq., Secretary to Government.

Sir:

1. Herewith I submit copies of the accounts* of what Messrs. William Palmer and Co. term their "Former Concern" or "Old Concern," by which is to be understood their concern up to a certain date, which they have fixed on for the fictitious establishment of the present houses.

2. Little information is afforded by these accounts, and Messrs. William Palmer and Co.'s explanations, which are given in red-ink, do not throw more light on them.

3. The length of time occupied in copying these and other accounts, induces me to transmit what remain, and have just now been received from Messrs. William Palmer and Co., in original.

I have, &c.

Hyderabad Residency,
12th July 1823.

(Signed) C. T. Metcalf,
Resident.

* Account F. Vide next page.

Account

[Account F.—Folio 1.]

RAJAH CHUNDOO LOLL *in Account Current with Former Concern - - - - Hyderabad.*

Dr. *Cr.*

H. 1226 :— F. 1220.			Hyderabad Rupees.	A.
Rujeb ..	10.	To Cash *on loan* - - - - - -	60,000	0
	12.	.. Cash paid Nuwab Begum *on your order*	12,000	0
	14.	.. Cash paid Ram Loll Modhee, *do.* -	5,000	0
	17.	.. Cash paid Chunchull Raee *do.* -	15,000	0
	24.	.. Cash *in part of a loan of Rupees* 75,000	14,172	0
	25.	.. Cash paid Mirza Jaun Ali - - -	1,600	0
	26.	.. Cash *in part loan of Rupees* 75,000 -	4,050	0
	27.	.. Cash - *do.* - *do.* - -	16,800	0
	28.	.. Cash - *do.* - *do.* - -	4,000	0
	29.	.. Cash - *do.* - *do.* - -	5,950	0
		.. Cash - *do.* - *do.* - -	1,600	0
		.. Cash paid Soliman Jah, *by your order* -	6,000	0
Shabaun..	5.	.. Cash *in part loan Rupees* 75,000 - -	8,000	0
	1.	.. Cash paid Ram Loll Modhee, *on your order* - - - - - - -	5,000	0
	5.	.. Cash *on loan* - - - - - -	5,000	0
	6.	.. Cash *do.* - - - - - - -	10,000	0
	7.	.. Cash *do.* - - - - - - -	7,789	0
	10.	.. Cash *do.* - - - -	10,000	0
	3.	.. Cash *do.* - - - - - - -	12,639	0
	10.	.. Cash *do.* - - - - - - -	5,000	0
	12.	.. Cash *do.* - - - - - - -	4,299	13
	13.	.. Cash paid Major Gordon *in part of a draft on us for Rupees* 12,192. 4 - -	4,000	0
	13.	.. Cash - *do.* - *do.* - -	2,000	0
	11.	.. Cash paid Shurfulhisan Begum *by your order* - - - - - - -	8,000	0
	3.	.. Cash paid Major Gordon *in part draft Rupees* 12,192. 4, *by your order* - -	1,000	0
	15.	.. Cash *on loan* - - - - - -	5,000	0
		.. Cash paid Major Gordon *in part draft Rupees* 12,192. 4 - - - - -	562	4
	16.	.. Cash paid you 285 tolas of gold sequins, at Rupees 20 per tola - - -	5,700	0
	19.	.. Cash paid Ram Loll Modhee *by your order*	5,000	0
	13.	.. Cash paid Major Gordon *in part draft Rupees* 12,192. 4 - - - - -	2,000	0
	22.	.. Cash paid do. - - *do.* - -	2,500	0
	23.	.. Cash *on loan* - - - - - -	24,960	0
	25.	.. Cash *do.* - - - - - - -	51,029	6
	27.	.. Cash paid Major Gordon *in full of draft Rupees* 12,192. 4 - - - - -	130	0
		.. Cash *on loan* - - - - - -	18,000	0
Rumzaun	1.	.. Cash paid Mooneer ool Moolk *by your order* - - - - - - -	44,000	0
		.. Cash paid Sureeneig Rao Inkajee *to you by transfer on* - - - - - -	10,000	0
		.. Cash *on loan* - - - - - -	4,010	10
		.. Cash *do.* - - - - - -	6,008	14
	2.	.. Cash *do.* - - - - -	21,250	0
	4.	.. Cash *do.* - - - - - -	30,741	8
		.. Cash *do.* - - - - - -	16,980	0
		.. Cash *do.* - - - - - -	1,418	14
	5.	.. Cash paid Ram Loll Modhee *by your order*	5,000	0
		.. Cash paid Mr. George Sydenham *do.*	5,768	0
	9.	.. Cash *on loan* - -	11,900	0
		.. Cash *do.* - - -	11,917	8
	10.	.. Cash *do.* - - - -	3,990	0
		.. Cash *do.* - - - - - -	1,191	12
	1.	.. Cash paid your draft on us in favour of Soudgur, &c. - - - -	4,809	0
		.. Cash paid do. in favour of Moneer ool Moolk - - - - - -	14,000	0
	9.	.. Cash paid do. in favour of Futteh Gur, &c. Goseyns - - - - -	24,563	0
	12.	.. Cash *on loan* - - - -	20,121	12
		.. Cash *do.* - - - - - -	6,879	0
	12.	.. Cash paid Mr. George Sydenham *by your order* - - - - - -	10,000	0
	11.	.. Cash paid on your bill in favour of Mirza Ismael, &c. - - - - -	622	0
		.. Cash paid on do. in favour of Ragonath Doss - - - - - - -	10,000	0
	12.	.. Cash paid on do. in favour of Soliman Jah	2,492	13½
	13.	.. Cash paid your draft on us in favour of Akbur Jah - - - - -	62,000	0
	12.	.. Cash paid do. in favour of Etimad Nouz Khan - -	5,688	4
		Carried forward	Rupees 6,81,014	6½

H. 1226 :— F. 1220.			Hyderabad Rupees.	A
Rumzaun	14.	By cash received in part of a tunkha on Ruffaat-ool Moolk - - - -	650	0
	21.	.. Cash received from Ruffaat-ool Moolk	6,350	0
	23.	.. Cash received in part of a tunkha from Ruffaat-ool Moolk - - - -	13,000	0
	26.	.. Cash received do. on Ball Chund -	9,000	0
	30.	.. Cash received do. on do. - - -	3,350	0
F. 1221.				
Shuwaul ..	1.	.. Cash received from Karee Moongee Yenkut Rao in part of a tunkha -	4,400	0
	3.	.. Cash received in part of a tunkha on Ball Chund - - - - - -	1,000	0
	4.	.. Cash received do. from do. - - -	1,600	0
	4.	.. Cash received do. from do. - - -	1,175	0
		.. Cash - - - - - - -	4,000	0
	5.	.. Cash received from Ball Chund in part of tunkha on him - - - -	1,475	0
		.. Cash received from do. - do. -	800	0
	9.	.. Cash received from Khooshealee Ram Hindee Bhatur - - - -	600	0
	12.	.. Cash received from Major Gordon -	12,192	4
	14.	.. Cash received in part tunkha on Ball Chund - - - - - - -	1,000	0
	13.	.. Cash received from Peishcush - -	2,00,000	0
	12.	.. Cash received in payment of a tunkha on Ruffaat-ool Moolk - - - -	13,500	0
	18.	.. Cash received do. on do. - - -	2,000	0
	28.	.. Cash received do. on do. - - -	5,915	0
	25.	.. Cash received in part of do. on Raee Bal Chund :— 21st Shuwaul - Rs 16,774 0 24th - - - 4,415 0 25th - - - 811 0	22,000	0
	27.	.. Cash received in part of a tunkha on Mr. Robison - - - - -	4,000	0
Zeekaud ..	1.	.. Cash received on account of tunkha on Ushruff ool Dowlah - - -	1,000	0
	4.	.. Cash received do. from Karee Moongee Yenkut Rao - - - - -	5,000	0
	5.	. Cash received do. from Raee Bal Chund	3,000	0
	7.	.. Cash received from Meer Hydaet Ali	8,000	0
	8.	.. Cash received from Ushruff ool Dowlah on account tunkha - - - -	1,732	0
	9.	.. Cash received on account of Ushruff ool Dowlah - - - - - -	6,000	0
	10.	.. Cash received in full of first kist from Mr. Robison - - - - -	2,250	0
	15.	.. Cash received from Rung Rao .. -	2,200	0
	20.	.. Cash received on account of tunkha on Ushruff ool Dowlah :— 12th Zeekaud - - Rs. 2,000 0 14th - - - 1,825 0 17th - - 977 0 18th - - - 1,500 0 20th - - 250 0	6,552	0
	21.	.. Cash received on account tunkha on Ushruff ool Dowlah - 17th Zeekaud - Rs. 1,550 0 21st do. - - 2,250 0	3,800	0
	15.	.. Cash received from Shakir Khan -	25,000	0
		.. Cash received from do. from 1st Zechijj	25,000	0
	17.	.. Cash received on account tunkha on Ushruff ool Dowlah : 7th Zeekaud Rs. 214 0 17th - 90 0	334	0
		.. Cash received on account tunkha on Ruffaat-ool Moolk :— 22d Zeekaud - - Rs. 1,350 0 8th Zechijj - 400 0	1,750	0
		.. Cash received on account do on do. :— 20th Zeekaud - Rs. 200 0 8th Zechijj - - 300 0	500	0
	26.	.. Cash received on account tunkha from Raee Bal Chund - - -	1,500	0
	27.	.. Cash received do. do. - -	1,000	0
	29.	.. Cash received do. on Rung Rao - -	4,000	0
		.. Cash received do. on Rajah Bal Kishen	5,000	0
		Carried forward	4,08,625	4

(Signed) Wm. Palmer and Co.

[Account F.—Folio 2.]

RAJAH CHUNDOO LOLL *in Account Current with Former Concern - - - - Hyderabad.*

Dr.

H. 1226:— F. 1220.		Hyderabad Rupees.	A.
	Brought forward -	6,81,014	6¾
Rumzaun 12.	To cash paid Mirza Jaun Ali - - -	1,600	0
17. ..	Cash paid your three drafts on us in favour of Miadha Sunoroola Khan Mahomud Eusuff and your Highness's bearers - - - - - -	1,591	12
11. ..	Cash on your draft in favour of Buksoola Khan - - - - - - -	10,000	0
17. ..	Cash paid Bunmullee Dos *by your order*	8,000	0
20. ..	Cash paid Doola Khan, *do.* - -	10,000	0
18. ..	Cash on your draft in favour of Shusingh, &c. - - - - - -	443	5½
17. ..	Cash on your two drafts in favour of Abdool Nubbee and Ram Sing -	505	0
..	Cash on your draft do. Dilar Ali Khan	562	12½
20. ..	Cash paid Ram Lal Modhee, *by your order*	3,000	0
22. ..	Cash paid for the Mint - - - -	5,000	0
24. ..	Cash paid do. - - - - - -	5,000	0
23. ..	Cash paid Ram Lal Moodhee, *by your order* - - - - - - -	2,000	0
18. ..	Cash on your three drafts in favour of Bundee Ali Khan, your Highness's Cooks, and Futteh Rub Khan - -	2,648	0
20. ..	Cash on your draft in favour of Nulban Sing - - - - - - -	1,031	0
17. ..	Cash paid do. in favour of Khan Mahomed	115	0
30. ..	Cash paid Puddumsee and Nynsee -	4,000	0
24. ..	Cash paid your draft in favour of Cuzee Uzeezollah - - - - - -	2,400	0
29. ..	Cash paid do. in favour of Mr. W. Currie	2,000	0
22. ..	Cash paid Mahomed Ram *by your order*	15,000	0
29. ..	Cash paid Mooneer-ool Moolk *do.* -	33,000	0
30. ..	Cash paid Puthroobee - *do.* -	240	0
27. ..	Cash paid Bugruttun Doss *do.* -	5,100	0
30. ..	Cash paid do. - - *do.* -	252	6
23. ..	Cash on your draft in favour of Hafiz Ear Jung - - - - - -	1,564	15
30. ..	Cash paid Hukeem Shuffaee Khan *by your order* - - - - - -	6,000	0
..	Cash paid Bugruttun Dos *do.* - -	6,767	0
..	Cash paid Mahomed Ram *do.* - -	3,000	0
..	Cash paid Mr. W. Palmer *do.* -	5,714	3¾
Shuwaul .. 1. ..	Cash on your draft in favour of the sons of Hyder Neiz Jung - - -	4,500	0
..	Cash, *Gold mohurs* 70, *at Rs.* 17. 8 *each*	1,225	0
2. ..	Cash for the Mint - - - - -	2,000	0
4. ..	Cash for do. - - - - - -	8,000	0
5. ..	Cash for do. - - - - - -	19,000	0
..	Cash paid Juttun Lob *in account your draft* - - - - - - -	6,213	0
7. ..	Cash for the Mint - - - - -	2,000	0
9. ..	Cash paid Chunchull Race *by your orders on account loan* - - -	3,141	5
..	Cash for the Mint in full - - -	5,000	0
6. ..	Cash on your draft in favour of Rajah Roop Lall - - - - - -	35,789	1¼
4. ..	Cash paid you do. of the sons of Indoor Jah - - - - - - - -	7,238	4
..	Cash paid do. of Chunchull Race -	6,858	11
9. ..	Cash paid do. of Suwars of Arabs Rooz Khan - - - - - - -	1,000	0
15. ..	Cash, your order in favour of Ismael Khan Bhukshee - - - -	8,000	0
17. ..	Cash paid your draft in favour of Khoda Buksh Beg - - - - - -	36,488	12
18. ..	Cash paid do. of your Highness's cook	1,000	0
11. ..	Cash, 288 *Tolas*, 7 *Massas*, 3 *Ruttees, in sequins, at Rs.* 19. 12 *per tola* -	5,700	0
16. ..	Cash on your draft in favour of Purtab Gur - - - - - - -	4,202	12
17. ..	Cash paid do. of Mogul Jan - -	1,451	0
19. ..	Cash paid do. of Bhands - - -	483	10
..	Cash paid do. of Bajuntees - - -	1,516	0
21. ..	Cash paid Bhuwanee Shankeer Jeweller *by your order* - - - - - -	6,425	0
22. ..	Cash paid your draft in favour of Jettun Lall - - - - - - -	6,211	11
23. ..	Cash paid four of your drafts - -	989	10
26. ..	Cash paid your draft - - - -	1,500	0
27. ..	Cash paid do. in favour of Mahomed Khan Nazir - - - - - -	6,000	0
..	Cash paid do. of Sereeveeruffza Begum	3,000	0
..	Cash paid do. of Soofee Jan - -	1,500	0
..	Cash paid do. of Imteazul Dowla -	400	0
15. ..	Cash paid Noorool Moolk *by your order*	10,600	0
30. ..	Cash paid Sooltaun Hoossain Khan and Mahomed Noaz Khan, *by your order*	19,224	13
	Carried forward - Rupees	10,34,208	6¾

Cr.

H. 1226:— F. 1221.		Hyderabad Rupees.	A.
	Brought forward -	4,08,625	4
Zeekaud .. —	By cash received on account of tunkha of Ushruff ood Dowlah:—		
	23d Zeekaud - - Rs. 655 0		
	24th - - - 600 0		
	25th - - - 277 0		
	28th - - - 20,950 0		
	29th - - - 1,000 0		
	5th Zeehijj - - 1,415 0		
	9th - - - 3,680 0		
		28,577	0
Zeehijj .... 1. ..	Cash received on account tunkha on Raee Moongee Yenkut Rao - - -	4,935	8
2. ..	Cash received from Bussut Ali Khan -	2,000	0
1. ..	Cash received on account tunkha on Rajah Ragonath Rao:—		
	29th Zeekaud - Rs. 10,000 0		
	1st Zeehijj - - 37,000 0		
	4th - - - 20,000 0		
		67,000	0
3. ..	Cash received on account tunkha on Raee Nanuck Ram - - - -	28,000	0
12. ..	Cash received in full of first kist from Ushruff ood Dowlah - - -	5	0
1. ..	Cash received on account tunkha on Raee Bal Chund - - - -	18,500	0
..	Cash received do. on Ruffaat-ool Moolk	250	0
11. ..	Cash received on account of second kist of tunkha from Ruffaat-ool Moolk -	25,015	0
19. ..	Cash received on account of tunkha on Bassut Ali Khan - - - -	2,000	0
18. ..	Cash received do. on Meer Daood Ali	6,225	0
25. ..	Cash received do. on Suree Noaz Rao, in full of first kist - - - -	37,375	0
20. ..	Cash received in full of first kist from Meer Daood Ali - - - -	25	0
1. ..	Cash received from Meer Hydaet Ali on account tunkha - - - -	16,500	0
H. 1227.			
Mohurrum — ..	Cash received on account tunkha on Race Nanuck Ram:—		
	4th instant - - Rs. 18,000 0		
	5th - - - 10,000 0		
		28,000	0
..	Cash received on account tunkha on Ruffaat-ool Moolk:—		
	23d Zeehijj - - Rs. 400 0		
	28th - - 200 0		
	1st Mohurrum - 15,412 0		
	4th - - - 4,300 0		
	5th - - - 367 0		
	6th - - - 500 0		
	7th - - - 223 0		
	9th - - - 2,000 0		
	11th - - - 4,050 0		
	12th - - 500 0		
	15th and 21st - - 6,500 0		
	22d - - - 600 0		
	23d - - - 1,550 0		
	25th - - - 500 0		
	26th - - - 2,000 0		
	28th - - - 600 0		
	30th - - - 600 0		
	2d Suffer - - 250 0		
		40,552	0
16. ..	Cash received in full of tunkha on Raee Bal Chund - - - - -	38,000	0
23. ..	Cash received from Major Gordon -	12,314	0
26. ..	Cash received in part of second kist from Ushruff ood Dowlah - - -	22,000	0
20. ..	Cash received from Bassut Ali Khan:—		
	25th Mohurrum - Rs. 499 0		
	27th - - - 85 0		
	28th - - - 26 0		
	1st Suffer - - 265 0		
	6th - - - 625 0		
		1,500	0
	Carried forward - Rupees	7,87,398	12

[Account F.—Folio 8.]

RAJAH CHUNDOO LOLL *in Account Current with Former Concern - - - - Hyderabad.*

Dr. *Cr.*

H. 1226 :— F. 1221.		Hyderabad Rupees.	A.
	Brought forward -	10,34,208	6¾
Zeekaud 1.	To cash paid Mooneer ool Moolk *by your order payable one month after date* - - -	16,500	0
	.. *Interest closed to this day* - - -	24,513	1
4.	.. *Cash on loan* - - - - - - -	15,000	0
	.. *Cash paid Bugruttun Doss by your order* -	5,000	0
5.	.. *Cash paid Meer Bundi Ali - do.* - -	2,000	0
4.	.. *Cash paid your draft in favour of* Bahadoor Khan Nagur - - - - - -	2,000	0
9.	.. Do. - do. in favour of Soliman Jah -	12,000	0
	.. Do. - do. in favour of Turgund Begum	9,687	0
6.	.. Cash on - do. in favour of Hafiz Mohummed Hoossain Khan - - - -	2,392	0
10.	.. Cash for purchase of ten pairs shawls -	1,776	8
2.	.. Cash paid your draft in favour of Feridoom Jah - - - - - - - -	7,238	4
11.	.. Cash paid Telos Chund *by your order* -	2,000	0
13.	.. Cash paid Mr. Russell - *do.* - -	7,000	0
	.. Cash on your draft in favour of Bugruttun Doss - - - - - - -	3,500	0
8.	.. Cash paid do. - of Rajah Roop Lal - - - - - - -	34,674	12
16.	.. Cash on - do. - of Hafiz Ear Jung - - - - - - -	1,619	14¾
20.	.. Cash paid do. - of Binjarries	25,000	0
17.	.. Cash paid Major Gordon *by your order* -	12,100	0
11.	.. Cash on your draft in favour of Mr. Burgh	1,500	0
25.	.. Cash paid do. - of Kadir Sahib - - - - - - - -	2,000	0
	.. Cash *for purchase of two hundred and eighty-eight tolas, seven mases, three ruttees at Rupees* 19. 9. *per tola* - - - -	5,700	0
29.	.. Cash paid your draft in favour of Major Gordon's Sepoys - - - - -	214	0
27.	.. Cash paid do. - of Keywan Jah - - - - - - -	3,000	0
30.	.. Cash paid Hukeem Shuffaee Khan *for uttar* - - - - - - -	322	8
10.	.. Cash paid Gopal Doss *for purchase of jewels* - - - - - - -	5,095	0
30.	.. Cash paid Bugruttun Doss *do.* - - -	2,250	0
	.. Cash paid Mohummed Ram on account Mokkum Jung *by your order* - -	2,000	0
	.. Cash paid Mr. William Palmer on account of Elephant Raffle - - - -	160	0
25.	.. Cash *from Teloe Chund* - - - -	2,300	0
30.	.. Cash paid Hubeeboola *for shawls* - -	825	0
Zeehijj 7.	.. Cash paid Meer Hydaet Ali *by your order*	8,000	0
1.	.. Cash paid your draft in favour of Feridan Jah - - - - - - -	7,238	4
	.. Cash paid - do. - of Madho Chowdrie - - - - - - -	4,627	4
3.	.. Cash paid - do. - of Firmal Jung - - - - - - -	1,451	0
4.	.. Cash paid Mr. S. Russell for purchase of lustres - - - - - - -	2,000	0
1.	.. Cash paid Mooneer-ool Moolk *by your order, payable one month after date* -	36,000	0
5.	.. Cash *on loan* - - - - - - -	9,500	0
3.	.. Cash paid your draft in favour of Mr. Beckett - - - - - - -	1,000	0
7.	.. Cash *from Mr. Robison's shroff* - -	8,000	0
	.. Cash *on loan* - - - - - - -	9,180	10
8.	.. Cash paid Puthroohee *by your order* - -	120	0
7.	.. Cash *on loan* - - - - - - -	2,000	0
9.	.. Cash paid your draft in favour of Syud Kamil Khan - - - - -	2,000	0
	.. Cash paid Bugruttun Doss *by your order* -	6,600	0
11.	.. Cash paid Chunele Race *do.* - -	15,000	0
9.	.. Cash paid your draft in favour of Rajah Roop Loll - - - - - - -	34,085	0
15.	.. Cash for purchases from Mr. Reddy -	3,224	0
16.	.. Cash paid your draft in favour of Mirza Jan Ali - - - - - - -	1,600	0
10.	.. Cash for purchase of gold mohurs - -	1,395	0
18.	.. Cash *on loan* - - - - - - -	5,000	0
25.	.. Cash *do.* - - - - - - -	3,000	0
19.	.. Cash paid your draft in favour of Meer Mukdom Sondagur - - - -	3,000	0
25	.. Cash paid - do. - of the sons of Feridon Jah - - - -	7,238	4
21.	.. Cash *in purchase of venetians, two hundred and eighty-seven tolas, seven and three quarters massas* - - - - - -	5,700	0
25.	.. Cash paid your draft in favour of Rezza Beg Khan - - - -	200	0
28.	.. Cash paid do. of Rago nauth Doss - - - -	1,700	0
23.	.. Cash paid do. of Kujwun Jah - - - -	3,000	0

H. 1227 :— F. 1221.		Hyderabad Rupees.	A.
	Brought forward -	7,87,398	12
Suffer . . .	By Cash received from Karee Moongee Yenkut Rao, 3d instant - 1,911 8		
	6th - - 233 5		
	7th - - 1,471 0		
	10th - - 784 3		
		4,400	0
9.	.. Cash received in payment of tunkha on Rae Nanick Ram - - - -	28,000	0
10.	.. Cash received on account tunkha on Paishcush - - - - -	50,000	0
15.	.. Cash received in full of second kist from Ushruff ood Dowla - - - -	23,000	0
	.. Cash received on account tunkha on Govind Buksh - - - -	18,000	0
16.	.. Cash received from Bassut Ali Khan -	2,000	0
19.	.. Cash received in full of second kist from Bassut Ali Khan - - - -	500	0
20.	.. Hurjumull and Luchmun Doss on account Muhummed Ram - - -	20,000	0
	.. Cash your bill on Rajah Govind Buksh from 15th Rubbee ool awul - -	50,000	0
21.	.. Cash received in full of second kist from Mr. Robison - - - - -	6,250	0
26.	.. Cash received on account of tunkha from Sureenouz Rao Inkajee - - -	6,000	0
11.	.. Cash received from Ruffaat-ool Moolk -	384	0
26.	.. Cash received in full of tunkha on Sureenouz Rao Inkajee - - - -	31,500	0
25.	.. Cash received on account tunkha on Raee Bal Chund (*fifty thousand balance per draft*) - - - - - - -	60,000	0
16.	.. Rung Row on account second kist of tunkha - - - - - - -	2,000	0
29.	.. Received on account tunkha on Raee Lal Chund - - - - - - -	5,000	0
Rubbee, ool awul 3.	Received on account do. of Raee Moongee Yenkut Rao - - - -	9,935	0
1.	.. Cash received on account do. on Raee Bal Chund - - - - -	20,000	0
1.	.. Cash received do. on Rajah Ragonath Rao	32,000	0
2.	.. Cash received on do. - on Rung Rao	2,000	0
5.	.. Cash received - do. - on - do. -	1,000	0
8.	.. Cash returned - - - - -	41	7
	.. Meer Hydaet Ali, transferred tunkha on him from 20th Suffer - - -	16,750	0
1.	.. By do. - on account do. due this day	2,000	0
19.	.. Received on account tunkha on Meer Daood Ali - - - - -	6,225	0
16.	.. Cash on bill of Yenkut Jugput Rao -	500	0
	.. Mr. S. Russell for an overcharge in account lustres - - - - -	1,760	8
21.	.. Received on account tunkha on Rajah Bal Kishen - - - - -	5,000	0
22.	.. Cash on draft on Rajah Govind Buksh, due 10th Rubbee oo sanee - -	50,000	0
	.. Tunkha on Raee Bal Chund returned -	50,000	0
28.	.. Cash in payment of Hoondy of Yenkut Jugput Rao - - - - -	2,000	0
27.	.. Cash received in full of second kist from Rajah Ragonath Rao - -	35,000	0
30.	.. Cash on hoondy on Rajah Govind Buksh	12,500	0
	.. Cash on account tunkha on Ruffaat-ool Moolk - - - - - -	26,365	0
Rubbee oo sanee ..	Cash received on account do. from Raee Nanick Ram, 3d instant - 2,000 0		
	4th - - 11,500 0		
		13,500	0
	.. Ameer Chund and Birdu Chund, error in their credit, 1st Rubbee ool awul -	731	0
	.. Cash your order on Rajah Govind Buksh, due 1st Jemadee ool awul - -	50,000	0
	.. Tunkha on Sureenoaz Rao returned *per draft* - - - - - -	21,500	0
	.. Tunkha on Ruffaat-ool Moolk returned	8,500	0
	.. Received on account tunkha on Ruffaat-ool Moolk, 15th instant - 100 0		
	21st - - 17,171 0		
	23d 500 0		
		17,771	0
27.	.. Received on account tunkha on Sereenoaz Rao Inkajee - - - -	16,000	0
	.. Received on account Ruffaat-ool Moolk, 18th instant - - 3,000 0		
	19th - - 500 0		
	20th - - - 900 0		
		4,400	0
16.	.. Cash received on account tunkha on Bassut Ali Khan - - - -	4,000	0
28.	.. Received on account do. on Ruffaat-ool Moolk - - - -	11,000	0
Jemadee ool awul 4.	Cash received on account tunkha on Raee Nanick Ram, 4th instant - 4,400 0		
	8th - 1,400 0		
	11th 7,700 0		
		13,500	0

[Account F.—Folio 4.]

RAJAH CHUNDOO LOLL *in Account Current with Former Concern - - - - Hyderabad.*

Dr. *Cr.*

			Hyderabad Rupees.	A.
		Brought forward -	14,25,435	12½
Mohurrum	1.	To Interest closed this day - - - -	37,222	6½
	..	Cash paid your draft in favour of Imteazool Dowla - - - - - - - -	400	0
	..	Cash paid - do. of Mahdeo Chowdree - - - - - - - - -	4,634	0
	..	Cash paid - do. of Shuhamut Jung	1,251	0
	2. ..	Cash paid - do. of Mean Khan -	1,000	0
	4. ..	Cash paid Akbar Noaz Khan, *by your order*	1,000	0
	1. ..	Commission closed this day *(on sales)* -	942	13
	..	Cash paid your draft in favour of Rajah Roop Lal - - - - - - - -	2,315	0
	6. ..	Cash paid Birjruttun Doss, *by your orders*	7,615	0
	1. ..	Cash paid your draft in favour of Keyman Jung and Sumesaffja Begum - -	1,000	0
	6. ..	Cash paid - do. of Umunee ool Moolk - - - - - - - -	1,000	0
	7. ..	Cash paid - do. of Turjund Begum	9,713	0
	6. ..	Cash paid Mooneer ool Moolk *by your order payable one month after date* - -	33,000	0
	7. ..	Cash in your draft in favour of Hafiz Mahomed Hoossain Khan - -	2,392	0
	3. ..	Cash paid - do. of Sooliman Jah	12,000	0
	13. ..	Cash paid Akbar Noaz Khan *by your order*	1,000	0
	12. ..	Cash paid your draft in favour of Rajah Roop Lal - - - - - - - -	41,865	10
	14. ..	Cash paid - do. of Rubbur Khan	409	0
	12. ..	Cash paid - do. of Bunnajee Pundit - - - - - - - - -	1,675	0
	13. ..	Cash paid - do. of Bhuwannee Purshaud - - - - - -	1,100	0
	..	Cash paid - do. of Shaikh Mahomed	445	4
	14. ..	Cash paid - do. of Beran and Chumpa - - - - - - - -	1,276	0
	17. ..	Cash paid - do. of Sheikh Sadut Ali Khan - - - - - -	275	0
	13. ..	Cash paid - do. of Meer Moorad Ali Khan - - - - - -	2,000	0
	1. ..	Cash paid Mr. S. Russell for lustres -	5,000	0
	14. ..	Cash paid your draft in favour of Mahomed Boorhan - - - - - - -	2,000	0
	17. ..	Cash paid - do. of Mahomed Kurreem - - - - - - - -	292	0
	20. ..	Cash paid - do. of Meer Hoossain Ali - - - - - - - -	300	0
	19. ..	Cash paid - do. of Uzeemoon Nissan Begum - - - - - -	525	0
	16. ..	Cash paid - do. of do. - -	400	0
	20. ..	Cash *purchased venetians, 288 tolas, 7 masas, and 3 ruttees, at 19 Rupees 12 annas per tolah* - - - - - -	5,700	0
	14. ..	Cash paid your draft in favour of Syud Umanool Ali - - - - -	433	0
	26. ..	Cash paid - do. of Shurf Nissan Begum - - - - - - -	8,000	0
	25. ..	Cash paid - do. of Mahomed Ruhmut - - - - - - - -	1,650	4
	1. ..	Cash paid - do. of Sooltan Mean -	47,000	0
	10. ..	Cash on your draft on Chunoul Raee -	132	0
	7. ..	Cash paid Mr. S. Russell balance of lustres	1,760	8
Suffer....	1. ..	Cash paid your draft in favour of Syud Akbar - - - - - - - -	868	0
	..	Cash paid do. of Sumomffaja Begum - - - - - - - -	3,000	0
	..	Cash paid - do. of Hoossain Ali Khan - - - - - - - -	1,045	8
	..	Cash paid - do. of Moozuffer Ali Khan - - - - - - - -	1,246	8
	..	Cash paid - do. of Shew Ram -	516	4
	2. ..	Cash paid - do. of Hoossain Ali Khan - - - - - - - -	1,451	0
	8. ..	Cash paid Hurjumull and Lutchmundos as per your draft in favour of Jeuraj Hulwaee - - - - - - - -	1,500	0
	1. ..	Cash paid your draft in favour of Nooralla Khan - - - - - - - -	215	0
	4. ..	Do. - - do. of Rajah Meja Ram	840	0
	10. ..	Cash paid Meer Moorad Ali - - -	2,000	0
	5. ..	Cash paid your draft in favour of Eusuf Khan	1,000	0
	..	Cash paid Birjruttun Doss *by your order*	8,008	6¾
	21. ..	Cash paid your draft in favour of Sooltun Mean - - - - - - - -	30,500	0
	3. ..	Cash paid - do. of the sons of Meer Soobhan Ali - - - -	7,238	0
	16. ..	Cash paid - do. of Shumabee -	1,275	0
	..	Cash on following dates, *on loan*:		
		23d Mohurrum - 13,500 0		
		24th do. - - 13,300 0		
		25th do. - - 33,650 0		
		26th do. - - 12,150 0		
		27th do. - - 51,584 0		
		29th do. - - 11,576 0		
		Carried forward 1,35,760 0		
		Carried forward	17,24,863	4¾

H. 1227 :— F. 1221.

			Hyderabad Rupees.	A.
		Brought forward -	15,28,411	11
Jemadee ool awul.	..	By Resident's treasury, as per letter on Rajah Govind Buksh due 1st Jemadee oo sanee - - - - - -	75,000	0
	8.	By received on account tunkha on Ruhpul Raee and Munnoo Lal - - -	34,000	0
	1. ..	Received - do. on Ruffaat-ool Moolk - - - - - -	2,576	0
	10. ..	Received from Major Gordon - -	10,040	0
	17. ..	Received on account tunkha on Mr. Robison - - - - - -	6,250	0
	11. ..	Sums received from Ruhpul Raee and Munnoo Lal, (10,000 *Rupees balance per draft*) - - - - -	16,000	0
	..	Resident treasury on account of tunkha of Sooltan Mean, due 1st Jemadee oo sanee - - - - - -	7,750	0
	16. ..	Cash received on account tunkha on Meer Hydaet Ali - - - -	5,000	0
	20. ..	Received on account do. on Rung Rao	6,000	0
	14. ..	Cash received from Major Gordon -	2,000	0
	21. ..	Received on tunkha on Meer Daood Ali	6,275	0
	20. ..	Sooliman Jah, error in debit - - -	12,000	0
Jemadee oo sanee	..	Cash received on account tunkha on Ruffaat ool Moolk :		
		20th Jemadee ool awul - 1,000 0		
		5th - - - - 14,000 0		
		7th - - - - 10,000 0		
			25,000	0
	4. ..	Cash received on account tunkha on Karee Moongee Yenkut Rao - - -	4,256	15
	..	Cash received - do. on Ruffaat ool Moolk :		
		23d Jemadee ool awul - 4,000 0		
		24th - - - - 1,000 0		
		2d Jemadee oo sanee - 1,000 0		
		15th - - - - 1,200 0		
		17th - - - - 8,600 0		
			15,800	0
	9. ..	Cash received do. on account tunkha on Raee Nanuck Ram - - - -	38,500	0
	21. ..	Cash received on account on order Nehpul Raee and Munnoo Lol - - -	65,000	0
	25. ..	Cash received on account tunkha on Ushruff ool Dowla - - - -	23,389	0
	28. ..	Resident's treasury order on Govind Buksh:		
		In account Mahomud Ram 25,000 0		
		Do. - Sooltaun Mean 7,833 8		
			32,833	8
Rujeb....	1. ..	Cash received on account tunkha on Bassut Ali Khan - - - - -	4,000	0
	5. ..	Cash - do. on Karee Moongee Yenkut Rao - - - - -	9,935	9½
	15. ..	Cash - do. on Ruffaat ool Moolk	10,200	0
	23. ..	Cash - do. on Meer Hydaet Ali	8,430	0
	..	Received on account do. on Sooltaun Mean	30,000	0
	..	Cash on account tunkha on Sureeneaz Rao Inkajee :		
		1st instant - - 2,475 0		
		4th - 5,640 0		
		5th - - 1,000 0		
		6th - - - 1,325 0		
		9th - - 1,650 0		
		13th - - - 1,000 0		
		15th - - - 1,000 0		
		16th - - - - 350 0		
			14,440	0
	..	Cash on account tunkha on Raee Nanuck Ram :		
		15th instant - 4,740 0		
		19th - - - - 1,600 0		
		20th - - - - 9,000 0		
		21st - - - 500 0		
		22d - - - 1,175 0		
		25th - - - - 4,500 0		
		27th - - - - 1,770 0		
		28th - - - 1,975 0		
		29th - - - 1,130 0		
			26,390	0
	29 ..	Cash received from Major Gordon for pay to battalion Rupees 8,200, pay of Mr. Lenide, Rupees 1,400 - -	9,600	0
	..	Cash received in full of third kist from Ushruf ool Dowla - - - -	21,611	0
	..	Cash received on account tunkha on Rajah Ragonath Row :		
		27th instant - 10,000 0		
		28th - - - 11,700 0		
		Carried forward 21,700 0		
		Carried forward	20,50,687	11½

[Account F.—Folio 5.]

RAJAH CHUNDOO LOLL *in Account Current with Former Concern - - - - Hyderabad.*

Dr. *Cr.*

H. 1227 :— F. 1221.		Hyderabad Rupees.	A.
	Brought forward -	17,24,863	4¾
Suffer.....	To Cash amount brought forward - - - - 1,35,760 0		
	29th Moharrum 11,803 0		
	30th - - 7,500 0		
	2d Suffer - 1,250 0		
	On loan. 3d - - 3,500 0		
	4th - - 250 0		
	5th - - 3,925 0		
	7th - 4,916 10¾		
	9th - - 1,100 0		
		1,70,004	10¾
14.	.. Cash *transferred to you the note of hand of Venkut Jugput Rao* - - -	5,200	0
16.	.. Cash paid *by* Meer Moorad Ali - -	3,036	12¼
15.	.. Cash *transfer* - - - - -	23,000	0
25.	.. Cash paid your draft in favour of Mirza Ruza Ushee - - - -	1,500	0
2.	.. Cash paid - do. of Hukeem Ulla ood Deen - - - - -	507	12
16.	.. Cash paid - do. of Mirza Jaun Ali	1,600	0
1.	.. Cash paid - do. of Syud Ameer -	533	0
17.	.. Cash paid Mr. E. Beckett for purchase of two camels - - - -	300	0
	.. Cash paid Mooneer ool Moolk *as per our note of hand payable one month after date* - - - - - -	20,000	0
	.. Cash for purchase of shawls on following dates :		
	17th Shabaun - 7,021 8		
	7th Rumzaun - 6,724 8		
	13th - - - 843 0		
	30th - - - 2,023 14		
	8th Shuwaul - 664 2		
	9th - - - 244 0		
	19th - - - 229 4		
	23th - - - 135 0		
	24th - - - 1,486 8		
	12th Zeekaud - - 1,578 12		
	10th - - - 520 0		
	1st Zeehijj - - 2,280 0		
		23,900	8
10.	.. Rajah Roop Loll paid your draft in his favour - - - - - -	41,255	0
17.	.. Mooneer ool Moolk *as per our note payable one month* - - - -	1,500	0
19.	.. Cash paid your draft in favour of Hafiz Ear Jung - - - - -	1,622	0
17.	.. Cash paid do. of Women Battalion -	295	0
	.. Cash paid do. of Bhooree Khan - -	1,300	0
22.	.. Cash paid do. of Akbar Jah - -	25,000	0
17.	.. Cash paid do. of Muhummed Hushmut Oollah - - - - -	777	0
23.	.. Cash paid do. of Khoon Meer - -	2,281	2
17.	.. Cash paid do. of Imteaz ul Dowla -	400	0
23.	.. Cash paid Hyathee *by your order* -	120	0
8.	.. Cash paid your draft in favour of Nizam Nonj Jung - - - - -	18,000	0
25.	.. Cash paid Bumulla Doss *balance per account* - - - - -	50,000	0
23.	.. Cash *for two hundred and eighty-eight tolas, seven massas, three rutters of Venetian sequins at Rupees 19¾ per tola*	5,700	0
20.	.. Cash paid Hukeem Shuffiee Khan *transferred by desire* - - - -	3,000	0
25.	.. Sundries for purchases of shawls -	1,835	0
10.	.. Cash paid Mahanund Ram on account of Mokkum Jung - - - -	1,000	0
29.	.. Cash paid Mr. S. H. Russell for repairing the Kuthee - - -	9,000	0
	.. Cash paid Ummer Chund and Birdee Chund on account Goolal das Modhee	10,000	0
23.	.. Cash paid your draft in favour of Fakur Muhommud - - - -	597	8
25.	.. Cash paid - do. of Bahadoor Khan -	316	11
22.	.. Cash paid - do. of Umeer ool Dowla	5,000	0
28.	.. Cash paid - do. of Muhommed Baker - - - - - -	285	1
Rubbee col awul }	.. Cash paid Sheekh Muhommed Eusuff *by your order* - - - -	528	0
1.	.. Cash *on loan* - - - - -	50,000	0
	.. Cash on your draft in favour of Tahir Ali Khan - - - -	994	4
3.	.. Cash on - do. of Inhargur Ali Khan	529	8
	Carried forward - Rupees	22,05,682	1?

H. 1227 :— F. 1221.		Hyderabad Rupees.	A.
	Brought forward -	20,50,647	11¼
Rujeb.....	By cash amount brought forward 21,700 0		
	2d Shabaun - - - 40,000 0		
	1st - - - - 2,200 0		
	3d - - - - 100 0		
		64,000	0
Shabaun..	.. Cash received on account tunkha on Ruffaat-ool Moolk - - - -	19,000	0
	.. Cash - do. on Raee Nanick Ram :		
	2d instant - - - 2,200 0		
	5th - - - - 2,000 0		
	7th - - - - 3,500 0		
	11th - - - - 500 0		
	14th - - - - 3,910 0		
		12,110	0
15.	.. Rung Row on account tunkha on him -	6,000	0
	.. Cash received on account tunkha on Meer Hydaet Ali :		
	17th instant - - 475 0		
	21st - - - - 3,525 0		
		4,000	0
13.	.. Cash - do. on Sureenoaz Rao Inkajee		
	13th instant - - - 4,000 0		
	14th - - - - 6,000 0		
	15th - - - - 3,000 0		
	16th - - - - 2,000 0		
		15,000	0
22.	.. Cash - do. on Major Gordon - -	1,000	0
27.	.. Cash - do. on Sureenoaz Rao Inkajee	560	0
28.	.. Cash - do. on Ushruf ool Dowla -	1,500	0
	.. Received on account do. on Raee Bal Chund - - - - - -	5,000	0
29.	.. Cash - do. on - do. - -	6,000	0
Rumzaun 7.	.. Resident's treasury in full of tunkha on Rajah Govind Buksh on account Sooltan Mean - - - - -	5,116	8
1.	.. Received in full of tunkha on Meer Daood Ali - - - - -	6,250	0
	.. Credit to Mooneer-ool Moolk *per draft balanced* 1st Shabaun - - -	31,900	0
7.	.. Cash on account tunkha on Major Gordon	2,842	0
3.	.. Cash - do. on Raee Bal Chund -	13,000	0
	.. Cash - do. on Rajah Bal Kishen -	5,015	5½
6.	.. Received on account do. on Sooltan Mean	500	0
15.	.. Received do. on Ushruf ool Dowla -	4,900	0
	.. Cash do. on Raee Nanick Ram -	33,500	0
16.	.. Cash - do. on Ushruf ool Dowla -	5,100	0
18.	.. Received on account do. on Meer Hydaet Ali - - - - - - -	4,000	0
19.	.. Cash - do. on - do. -	5,000	0
23.	.. Resident's treasury bill on Jaulna -	15,000	0
24.	.. Resident's treasury on account Peishcush	40,000	0
	.. Mr. S. H. Russell on account Tantia -	13,248	0
	.. Cash on account tunkha on Meer Hydaet Ali - - - - - - -	2,500	0
24 and 25.	.. Cash on account Tantia - - -	50,000	0
	.. Cash on account tunkha on Ruffaat-col Moolk - - - - - -	31,555	0
	.. Received on account do. on Ushruf ool Dowla - - - - - -	3,625	0
21.	.. Cash received on account tunkha on the following.		
	Ruffaat-ool Moolk - 65,210 0		
	Ragonath Rao - - 50,000 0		
	Raee Nanick Ram - 47,000 0		
	Sureenoaz Rao - - 20,000 0		
	Nurdah Tahir Ali Khan 6,000 0		
		1,88,210	0
12.	.. Sureenoaz Rao on account tunkha -	11,717	8
27.	.. Cash on account tunkha on Meer Hydaet Ali - - - - - -	3,000	0
	.. Cash - do. on Raee Bal Chund -	24,000	0
29.	.. Cash - do. on Meer Hydaet Ali -	1,410	9½
	.. Meer Hydaet Ali, 1st Shuwaul - -	15,000	0
	Carried forward - Rupees	27,01,?7?	10½

[Account F.—Folio 6.]

RAJAH CHUNDOO LOLL *in Account Current with Former Concern* - - - - *Hyderabad.*

Dr. *Cr.*

H. 1227 :— F. 1221.			Hyderabad Rupees.	A.
		Brought forward -	22,05,682	1¾
Rubbee ool awul	..	To cash on your draft in favour of Ismael Mahomed, on 29th Suffer - -	325	8
	3.	To Baker Ali Khan as per your draft -	1,451	0
	..	Cash on your draft in favour of Mahomed Beg, 29th Suffer - - - - -	604	8
	2. ..	Cash on - do. of Mahomed Fazil Chobdar - - - - - -	558	0
	..	Mahomed Dulet, as per draft, as 29th Suffer - - - - - - -	1,495	12
	..	Cash on your draft in favour of Jafeer Ear Jung - - - - - -	400	0
	4. ..	Juhandarjah, as per draft - - -	500	0
	3. ..	Cash paid Mooner-ool Moolk as *per our note of hand due 10th Rubbee oo sanee* -	33,000	0
	7. ..	Cash paid by Hafiz Mahomed Hoossain Khan, *per draft paid in one month* -	2,392	0
	1. ..	Cash paid Birgruttun Dos *transferred by desire* - - - - - -	2,885	9
	..	Gopaul Dos for purchase of shawls -	3,217	0
	11. ..	Cash paid Major Gordon *by order in his favour* - - - - - - -	24,082	0
	2. ..	Cash on your draft in favour of Shah Hydaet Ahmud, &c. - - - -	600	0
	..	Cash paid Sahibzada *transferred by desire*	1,000	0
	..	Cash paid your draft in favour of Suweruffja Begum 27th Suffer - - -	3,000	0
	11. ..	Cash paid - do. of Asud Noaz Jung -	300	0
	10. ..	Cash paid Hafizear Jung, *as per draft payable in one month* - - - -	1,619	12
	..	Cash paid your draft in favour of Rajah Roop Lol - - - - - -	40,499	2½
	5. ..	Cash paid - do. of the family of Mushur ool Moolk - - - - - -	9,105	0
	3. ..	Cash paid - do. of Soolimann Jah -	12,000	0
	10. ..	Cash paid - do. of Hoosanee Beg -	533	0
	13. ..	Cash *for Nuzzur to his Highness* - -	5,000	0
	14. ..	Cash paid your draft in favour of Mr. Whiller - - - - - - -	1,240	0
	..	Cash paid Akbar Noaz Khan *by your order*	1,000	0
	3. ..	Cash paid your draft in favour of the sons of Meer Sooban Ali - - - -	7,238	4
	9. ..	Cash paid - do. of Meer Moorad Ali	843	0
	14. ..	Cash paid - do. of Umutjee - -	955	0
	9. ..	Cash paid Burgruttan Dos *by your desire*	1,000	0
	14. ..	Cash paid your drafts in favour of Rezza Beg Khan - - - - - -	200	0
	17. ..	Khaja Thiras as per your draft - -	300	0
	19. ..	Noor ool Oulia as per do: - - -	1,000	0
	18. ..	Cash paid your draft in favour of Imteaz ool Dowla - - - - - -	400	0
	21. ..	Cash on - do. of Luchman Sing -	831	15
	17. ..	Cash on - do. of Meer Jaffeer Hoossain	400	0
	22. ..	Cash paid - do. of Sekundur Ear Jung	233	5
	..	Tunkha on Raee Bal Chund per contra -	50,000	0
	23. ..	Cash on your draft in favour of Umeer Ool Dowla - - - - - -	774	14
	24. ..	Cash paid Nehpal Raee and Munnoo Lol, *by your order* - - - -	16,000	0
	17. ..	Cash paid your draft in favour of Juffeer Ear Jung - - - - - -	500	0
	3. ..	Cash paid - do. of Kureem Baker -	2,079	9½
	26. ..	Cash paid for toottees - - - -	5,700	0
Rubbee oo sanee	1.	Cash paid to Mootee Sing as per your order - - - - - - -	13,399	13
	..	Bunkutty Dos as per do. due 30th instant	1,600	0
	..	Cash on your draft in favour of Meer Abdool Hoossain due 16th Rubbee ool awul - - - - - - -	1,291	6
	5. ..	Cash paid Mooner ool Moolk *by your order*	32,000	0
	2. ..	Cash paid on your draft in favour of Baney Ram - - - - - - - -	280	4
	5 ..	Cash, *as per your draft dated 26th Suffer*	1,428	0
	..	Cash paid your draft in favour of Umeer ool Moolk - - - - - -	2,000	0
	..	Cash paid - do. of Keywan Jah -	3,000	0
	..	Cash paid - do. of Meer Nizam ool Deen - - - - - - -	526	12
	4. ..	Cash paid - do. of Moobariz ool Dowla	500	0
	5. ..	Cash paid - do. of Sher Ali Khan -	700	0
	..	Cash paid - do. of Jugjeivan Dos, due 20th Rubbee oo sanee - - -	1,800	0
	..	Cash paid - do. of Major Gordon -	1,198	0
	1. ..	The sons of Meer Sooltaun Ali as per your draft - - - - - - -	7,238	4
	20. ..	Mahaud Ram on account hoondie on Jaulna, *by your order* - - -	20,000	0
		Carried forward -	25,29,908	11¾

H. 1227 :— F. 1221.			Hyderabad Rupees.	A.
		Brought forward -	27,01,877	10½
Rumzaun..	7.	By error in debit of Resident's treasury -	400	0
	12. ..	Cash received on account tunkha on Nusdick Fakir Ali Khan - - -	800	0
	..	Cash received on account tunkha on Meer Hydaet Ali:		
		17th Shabaun - - 4,000 0		
		20th - - - - 4,000 0		
			8,000	0
	..	Received on account tunkha on Ruffat ool Moolk, from 15th Rubbee ool awul	1,500	0
	..	Received in full of tunkha on Mr. Robison - - - - - -	6,250	0
		Carried forward, to folio 8. -	27,26,027	10½

[Account F.—Folio 7.]

RAJAH CHUNDOO LOLL *in Account Current with Former Concern* . . . . *Hyderabad.*

Dr. *Cr.*

H. 1227 :— F. 1231.			Hyderabad Rupees.	A
		Brought forward -	25,29,908	11¾
Rubbee oo sanee	7.	To cash paid your draft in favour of Women Battalion - - -	295	0
	8.	.. Rajah Roop Loll, as per your order -	40,388	0
		.. Nursuk ool Zumeen Khan, per your draft, dated 16th Rubbee ool awul -	500	0
	3.	.. Beeje Ram, *by your order* - - -	1,574	0
	1.	.. Birgruttun Dos, *do.* - - - -	13,217	2¾
	7.	.. Futteh Mahomed, *do.* - - -	310	0
		.. Mahomed Ram, on account Mukkum Jung, from 10th Rubbee ool awul -	1,000	0
	1.	.. Ummer Chund and Birdee Chund, on account Golab Dos, *per order on account Modhee Khana* - - -	9,876	13
	7.	.. Cash paid your draft in favour of Umeer ool Dowla - - - - -	226	0
	9.	.. Tuhermur Ali Khan, as per your draft	2,000	0
	13.	.. Cash paid your draft in favour of Phoondo	228	0
		.. Tunkha on Suree Noaz Raee, *balance per contra* - - - - -	21,500	0
		.. Tunkha on Ruffaat-ool Moolk, *hoondies protested and returned* - - -	8,500	0
	12.	.. Cash paid your draft in favour of Eusuf Khan Darogah - - -	500	0
	1.	.. Interest closed to this day - - -	70,463	11¼
		.. Commissioners - - - - -	1,691	8½
	12.	.. Cash on your draft in favour of Hussein Khan - - - - - -	424	0
	13.	.. Cash on do. of Meer Mahomed Hoossein	1,374	0
	23.	.. Umeer Chund and Birdee Chund, draft in favour of Mirza Jnun Ali - -	1,601	0
Jemadee ool awul	4.	.. Cash paid on account Venetians -	2,737	8
	5.	.. Cash paid Mooneer ool Moolk *by your order* - - - - -	14,000	0
	1.	.. Umeer Chund and Birdee Chund, on account Modhee Khana, *by your order*	10,000	0
	6.	.. Cash paid Mooneer ool Moolk *by your order* - - - - - -	6,000	0
	8.	.. Cash paid on account *draft in favour Nehpul Raee Munoo Loll* - - -	34,000	0
	12.	.. Cash paid Seerenaoz Rao Inkajee *by your order* - - - - -	6,000	0
	7.	.. Cash *for* 150 *Tolas of Venetians, at Rs.* 19¾ *per tola* - - - - -	2,962	8
Rubbee oo sanee	10.	Mahomed Ram in account Mokkum Jung, *by your order* - - - -	1,000	0
	8.	.. *Hurjeemul and Lutchmun Dos, draft in favour Ungudila Khan* - - -	4,000	0
Jemadee ool awul	5.	.. Birgrutton Dos, *by your order* - -	11,840	2½
	7.	.. Cash paid your draft in favour of Women Battalion - - - - -	295	0
	8.	.. Cash paid do. of Mahomed Darneish -	225	0
		.. Hurdwar Bhasteea Goseyn, per your draft - - - - - -	7,181	0
		.. Cash on your draft in favour of Hafiz Mahomed Hoossain Khan - -	2,392	0
		.. Meer Hudee, per your draft - -	1,560	0
		.. Hafiz Ear Jung, per do. - - -	1,617	0
		.. Bakir Ali Khan, per do. - - -	1,451	0
	9.	.. Rajah Roop Loll, per do. - - -	40,081	0
	8.	.. Paid your draft in favour of Muste Khan	600	0
	9.	.. Cash as per draft in favour of Shajee Sadur ool Deen - - - - -	500	0
	10.	.. Cash paid sons of Meer Sooltaun Ali, *by your order* - - - - -	7,438	4
	11.	.. Cash paid the family of Mooshur ool Moolk, *do.* - - - - - -	6,575	0
	8.	.. Cash on your draft in favour of Suffer Sooltaun - - - - -	900	0
		.. Cash paid do. of Mahomed Sateef Khan	520	0
	10.	.. Kyman Jah, per your draft -	7,000	0
	11.	.. Cash—*cancelled per account* -	10,000	0
	20.	.. Sooliman Jah, as per your draft - -	12,000	0
	11.	.. Ali Mahomed Khan, per do. -	1,461	0
		.. Meer Kumbur Ali, per do. -	638	0
	9.	.. Cash paid your draft in favour of Churchul Raee - - - - -	20,000	0
	15.	.. Cash paid do. of Meer Nuzuf Ali	254	0
		.. Cash paid Tutlareeber, *by your order* -	240	0
Jemadee oo sanee	15.	.. Buksoolla Khan, per order - -	12,000	0
	1.	Mooneer ool Moolk, paid him by your note of hand due in one month -	24,000	0
		.. Gopal Dos, for shawls due this month -	1,233	8
		.. Gopal Dos, for purchase of do. - -	895	0
	8.	.. Cash paid Rungum Shroff, *by your order*	90	0
	1.	.. Umeer Chund and Birdee Chund, on account Modhee Khana, &c. -	9,149	2½
		Carried forward Rupees	29,68,413	0¼

[Account F.—Folio 8.]

RAJAH CHUNDOO LOLL *in Account Current with Former Concern - - - - Hyderabad.*

Dr. *Cr.*

H. 1227 :— F. 1221			Hyderabad Rupees.	A.
		Brought forward -	29,68,413	0¼
Jemadee oo sanee	1.	Birgruttun Dos in account Bela, *by your order* - - - - -	11,407	2½
	11.	.. Your draft for six months' pay in favour of Mr. Lorride - - - -	4,200	0
	17.	.. Mooneer ool Moolk, paid him per our note due in one month, *per your order*	8,900	0
		.. Rajah Inkappa Nair, as per your draft -	14,175	0
	23.	.. Tuhumar Ali Beg Khan, *by your order*	2,000	0
Rujeb....	1.	.. Mooneer ool Moolk, per our note, *do.* due 7th Shabaun - - - -	31,900	0
	—	.. Ummer Chund and Birdee Chund, on account Modhee Khana, *by your order*	9,554	8
	16.	.. Cash paid to Puthroobee, *by your order*	120	0
	20.	.. Rajah Roop Loll, - *do.* - -	20,000	0
	23.	.. Cash - - - - - *do.* - -	3,000	0
	24.	.. Puddunsee and Nynsee *do.* - -	1,000	0
		.. Muhmood Noaz Khan, *as per* your draft, *payable in two months* - - -	5,000	0
		.. Sooltaun Hoossain, do. - *do.* -	5,000	0
		.. Hukeem Shuffaee Khan, *per your draft*	3,000	0
	25.	.. Cash, *by your order* - - - -	12,000	0
		.. Mahanund Ram in account Mokhum Jung, 10th Jemadee ool awul, and 10th Jemadee oo sanee - - -	2,000	0
	26.	.. Cash paid per your desire to Major Gordon - - - - - - -	24,000	0
Shabaun ..	6.	.. Cash paid to Ramzan Khan, *by your order* - - - - - - -	282	0
	1.	.. Ummer Chund and Birdee Chund on account Modhee Khana, *do.* - -	9,699	2½
	15.	.. Mahanund Ram, *do.*, 10th Rujeb and 10th Shabaun - - - - -	2,000	0
	5.	.. Sundries for purchases - - -	5,988	11
	29.	.. Cash on draft on Chunchul Race -	355	4
Rumzaun..	1.	.. Sundries for purchases - - -	1,920	0
	8.	.. Birgrutten Dos, *by your desire*, 10th Rujeb - - - - - - -	1,634	12½
	29.	.. Iftikbar Ali Khan, *do.* - - -	1,207	8
	1.	.. Interest and account closed for the year 1221, Fuslee - - - - -	1,16,312	10¾
	23.	.. Puddumsee and Nynsee, *for Jaulna Hoondees* - - - - - -	8,000	0
		.. Cuppoor Chund, *Jaulna bill* - -	5,000	0
	29.	.. Bill on Jaulna - - - - -	2,000	0
		.. Credit given to Mooneer ool Moolk per contra, 1st Shabaun - - - -	31,900	0
Shabaun ..	6.	.. Mooneer ool Moolk, per our draft due 10th Rumzaun - - - -	33,482	0
Rumzaun..	6.	.. Mooneer ool Moolk, per do. 10th Shuwaul	33,482	0
	12.	.. *Mr. H. Russell on account*, in favour of Colonel Conran, due one month -	21,745	0
	26.	.. Paid you do. of Jeury Hulwaee - -	1,000	0
		.. Mahanund Ram, for payment of your draft on account purchase of grain -	8,000	0
	29.	.. Cash paid your draft in favour of the family of Musheer ool Moolk - -	7,300	0
		Hyderabad Rupees	34,17,178	11½

H. 1227 :— F. 1221.			Hyderabad Rupees.	A.
Rumzaun	29.	By balance brought forward from folio 6.	27,[illegible]6,027	10½
		.. Balance - - - - - -	6,[illegible]1,151	1
		Hyderabad Rupees	34,17,178	11½

(Signed) WM. PALMER and Co.

[Account F.—Folio 9.]

RAJAH CHUNDOO LOLL *in Account Current with Former Concern - - - - Hyderabad.*

Dr. *Cr.*

H. 1227. F. 1222.			Hyderabad Rupees.	A.
		Brought forward	6,91,151	1
Shuwaul	1.	To Bakir Ali Khan, *as per draft due in one month*	1,451	0
	..	Cash paid your draft in favour of Sooltan Bugeea, &c.	1,600	0
	..	Cash paid - do. of Meer Moorad Ali	2,000	0
	..	Cash paid do. of Hafiz Mahomed Hoossanee	3,589	0
	..	Cash paid - do. of Sumorufza Begum	3,000	0
	..	Cash paid - do. of Hafiz Ear Jung	1,355	0
	..	Cash paid - do. of Bandars	200	0
	4. ..	Cash paid - do. of Meer Ahmud Oollah Khan	635	0
	1. ..	Cash paid - do. of Rezza Beg Khan	2,000	0
	4. ..	Cash paid - do. of Sekunder Ear Jung	229	12
	1. ..	Birgruttun Dos, *by your order*	15,593	1¾
	3. ..	Mooneer ool Moolk, draft due in one month	32,902	0
	5. ..	Cash paid your draft in favour of Rajah Roop Loll	3,000	0
	..	Cash paid Shroff four months' pay, *by your order*	60	0
	..	Cash paid your draft in favour of Women battalion	295	0
	..	Purtabjeer and Balkichengur, draft	4,050	0
	..	Mr. E. Gordon for pay of battalion	12,000	0
	3. ..	Cash paid your draft in favour of Mr. Clark	600	0
	9. ..	Cash paid - do. of Joomdutul Nissan Begum	200	0
	7. ..	Cash paid - do. of Walee Khan	558	0
	10. ..	Mr. T. Danzas as per your draft	1,200	0
	9. ..	Cash paid your draft in favour of Eusuf Ali Mirza	512	0
	11. ..	Cash paid - do. of Zahur Jung	1,262	4
	9. ..	Cash paid - do. of the sons of Sooltan Ali	6,000	0
	10. ..	Cash on your draft in favour of Sudee Almas	516	0
	1. ..	Umeer Chund and Birdee Chund on account Modhee Khana, *per your order*	13,986	13
	10. ..	Birgruttun Doss for purchases	10,858	12
	12. ..	Sooliman Jah as per your draft	12,000	0
	17. ..	Sundries as per account Shashubee (*goods*) *at four months' date*	16,951	5
	1. ..	Birgruttun Doss error in debit of this date	360	0
	11. ..	Cash for the mint 11th Rs. 5,000, and 12th Rs. 15,418	20,418	0
	15. ..	Cash paid your draft in favour of Rujeeb Beg	400	0
	16. ..	Cash paid - do. of Mohummud Khan	180	0
	..	Cash paid - do. of Abdola Khan	872	0
	..	Cash paid do. of Ali Mahomed Khan	1,057	0
	17. ..	Cash paid do. of Abbas Ali Beg	800	0
	..	Cash paid - of Incha Ram	500	0
	..	Cash paid - do. of Jechangeer Ali Khan	309	0
	15. ..	Cash paid - do. of Decan Jung	550	0
	16. ..	Cash paid - do. of Ghoolam Emaum Jung	380	0
	22. ..	Mr. S. H. Russell for purchase of an elephant	2,000	0
	24. ..	Cash paid your draft in favour of Juwaj Hulwace	1,000	0
	21. ..	Syud Azim paid your draft	2,700	0
	17. ..	Meer Turab Ali paid do.	2,078	0
Zeekaud	1. ..	Cash on your draft to Amud Ali	663	0
	2. ..	Rajah Roop Loll *by your order*	20,200	0
	4. ..	Cash paid your draft in favour of Eusuf Khan	500	0
	1. ..	Birgruttun Dos in account Bela, *by your order*	13,391	14¾
	6. ..	Mooner ool Moolk *draft in his favour 5th Zeekaud due in one month*	32,900	0
	9. ..	Cash paid for purchase of ropes, &c. for a seventy-four gun ship	250	0
	4. ..	Mr. S. H. Russell per your draft	6,216	0
	1. ..	Ummer Chund and Birder Chund in account Modhee Khana *per your order*	9,959	14¾
	..	Birgruttum Doss on account purchases		
		15th Shuwaul 568 0		
		29th - - 195 0		
		1st Zeekaud 6,445 15¾		
		9th - - 768 0		
			7,976	15¾
		Carried forward	Rupees 9,65,447	13¾

H. 1227. F. 1222.			Hyderabad Rupees.	A.
Shuwaul	3.	By cash in account Tantia	7,770	0
	6. ..	Received on account tunkha on Sureenoaz Rao Inkajee	10,000	0
	5. ..	Mr. E. Gordon on account battalion Rs. 2,000, and Captain Leredie Rs. 700	2,700	0
	7. ..	Cash on account tantia	156	0
	..	Cash - do.	3,496	8
	10. ..	Cash from Ruffaat-ool Moolk	6,157	0
	11. ..	Cash received on account tunkha on Sureenoaz Raee	4,500	0
	7. ..	Received in part tunkha on Busset Ali Khan	1,000	0
	8. ..	Lodee Khan	5,000	0
	11. ..	Cash on account tunkha on Sureenoaz Rao	5,000	0
	12. ..	Cash on account do. do.	10,300	0
	..	Sirdar Khan Bahadur	7,000	0
	..	Cash received on account tunkha on Ruffaat-ool Moolk	15,418	0
	13. ..	Received on account do. - do., dated 3d Rujeb	900	0
	..	Cash received on account do. on Sureenoaz Rao Inkajee	200	0
	11. ..	Cash received in full of do. from Bassut Ali Khan	3,000	0
	20. ..	Received on account tunkha on Mr. Gordon	1,000	0
	29. ..	Cash received - do. on Mamanies	71,000	0
Zeekaud	3. ..	Cash received - do. on Ruffaat-ool Moolk	170	0
	7. ..	Cash received do. on Raee Bal Chund	48,000	0
	..	Cash received do. on Raee Nanick Ram	5,000	0
	8. ..	Cash received do. *on* Sureenoaz Rao Inkajee	40,000	0
	11. ..	Cash received do. on Major Gordon in pay of battalion	3,000	0
	13. ..	Cash received do. on do. pay battalion Rupees 1,000, and Captain Leredie Rupees 700	1,700	0
	22. ..	Cash received on account tunkha on Major Gordon	8,748	0
Zeehijj	6. ..	Puddumsee and Nynsee on account tunkha on Rajah Ragonath Rao	8,000	0
	14. ..	Cash received on account tunkha on Major Gordon	9,000	0
	15. ..	Cash received do. do.	252	0
	10. ..	Received on account tunkha on Rajah Ragunath Rao	12,000	0
	4. ..	Cash received on account do. on Raee Nanick Ram	7,000	0
	23. ..	Received on account do. on Sureenoaz Rao Inkajee *balance your draft*	17,000	0
H. 1228. Mohurrum	11. ..	Cash received on Hoondee from Ruffaat-ool Moolk on Kichor Muddee	7,300	0
	6. ..	Do. do. - do. (27,000)	2,700	0
	3. ..	Do - do. - do.	1,500	0
	..	Cash received in payment of tunkha on Peisheush, 30th Zeekaud per draft	60,000	0
H. 1227. Suffer.	8. ..	Cash received on account tunkha from Raee Bal Chund, dated 25th Suffer	48,000	0
	..	Cash received do. on Karee Moongee Yenkut Rao, 5th Shuwaul	1,400	0
Zeekaud	4. ..	Received on account do. on do.	5,000	0
	8. ..	Cash	4,000	0
	4. ..	Ram Moongee Yenkut Rao received on account tunkha	4,935	8
	13. ..	Cash	30,000	0
Zeehijj	1. ..	Received on account tunkha on Rung Row	6,500	0
	3. ..	Received on account do. on Raee Deep Chund	5,600	0
	..	Received on account do. on Mr. J. Robison, 21st Zeekaud	6,250	0
	1. ..	Received on account do. on Rajah Bal Kishen	5,000	0
	..	Rajah Roop Loll, 30th Zeekaud	2,000	0
	1. ..	Cash received on account tunkha on Bassut Ali Khan	2,000	0
	3. ..	Cash	20,000	0
	5. ..	Cash received on account tunkha on Ruffaat-ool Moolk	25,000	0
	7. ..	Cash received on do. - do.	5,000	0
	9. ..	Cash received on do. - do.	2,000	0
	14. ..	Cash received on do. on Bassut Ali Khan	549	0
	11. ..	Cash received on do. on Ruffaat-ool Moolk	7,000	0
	14. ..	Cash received on do. - do.	615	0
	16. ..	Cash received on do. Bassut Ali Khan	985	0
	4. ..	Cash received on do. Shaker Khan	20,000	0
		Carried forward	Rupees 5,89,802	0

[Account F.—Folio 10.]

RAJAH CHUNDOO LOLL *in Account Current with Former Concern* - - - - *Hyderabad.*

Dr. *Cr.*

			Hyderabad Rupees	A.
H. 1227 :— F. 1222.		Brought forward -	9,65,147	13¼
Zeekaud	3.	To cash paid your draft in favour of Kummutees - - - - -	3,800	0
	13. ..	Baker Ali Khan, *per draft due in one month*	1,451	0
	14. ..	Hafiz Ear Jung, *per draft due in one month*	1,300	0
	16. ..	The family of Muchur-ool Moolk as per your draft - - - - - - - -	7,312	0
	9. ..	Paid your draft in favour of Sheikh Hoossain - - - - - - - - -	342	0
	..	Paid on your draft do. of Milk Women	1,000	0
	8. ..	The sons of Meer Sooban Ali, *by your order*	6,000	0
	14. ..	Rajah Roop Lol - - *do.* -	39,891	4
	19. ..	Cash paid to Mr. Gordon's Sepoys by desire of the Resident - - - - - -	4,000	0
	23. ..	Cash paid your draft in favour of Zaheer Jung - - - - - - - -	1,262	4
	4. ..	Birgruttees paid your draft - - -	1,422	0
	17. ..	Birgruttun Dos for purchase of jewels -	463	6
	28. ..	Mahanund Ram, *per draft due in fifteen days* - - - - - - - -	1,200	0
	30. ..	Cash paid your draft in favour of Rumzan Khan - - - - - - -	391	3
	8. ..	Shumshool Omrah, *by your order* - -	4,000	0
	..	Cash paid Captain Tyler's palanquin boys -	258	0
Zeehijj	1. ..	A bill on Benares for Rs. 2,000 at eighteen and a quarter per cent. - - - -	2,365	0
	2. ..	Cash paid Captain Tyler's palanquin boys -	258	0
	5. ..	Cash paid your draft in favour of Keywan Jah - - - - - - - -	3,000	0
	1. ..	Mr. Gordon as per your draft - -	16,000	0
	10. ..	Bunnukee Dos as per ditto - - -	53,000	0
	..	Sekundur Jah as per our note - - -	3,00,000	0
	7. ..	Cash on account payment of Rs. 10,000 -	356	0
	..	Jumma Dos on account Bela, *on draft in favour Birgruttun Dos* - - -	13,435	0
	5. ..	Puddumsee and Nynsee for purchases *of cloth* - - - - - - - -	995	0
	..	Nursoo - - - - do. -	1,098	0
	..	Birgruttun Dos - - - do. -	169	6
	..	Hurjumull and Lutchmun Dos do. -	3,992	0
	1. ..	Jumna Dos on account Moodhee Khana, *draft on us in favour Dean Dyal* -	8,731	5¾
	9. ..	Cash paid Captain Tyler's bearers - -	200	10
	16. ..	Bummullee Dos as per our draft - -	37,000	0
	17. ..	Cash paid your draft in favour of Zubbur Dhust Khan - - - - - -	391	8
	14. ..	Mr. H. Russell as per your draft - -	7,850	0
	4. ..	Cash *on loan* - - - - - -	72,385	0
	..	Hoondees *on loan in payment ten lacs :*		
		5th Zeehijj - - - 400 0		
		10th - - - 1,727 0		
		15th - - - - 49 0		
		16th - - - - 1,575 0		
		17th - - - - 100 0		
		20th - - - - 2,300 0		
		22d - - - - 2,246 0		
		6th Mohurrum - - 1,200 0		
			9,597	0
	8. ..	Puddumsee and Nynsee *gold two hundred and seventy tolas at Rs.* 19½ *in payment ten lacks* - - - - - - -	5,265	0
	..	Bill on Masulipatam for Rs. 2,000 - -	2,340	0
	23. ..	Tunkha from Sureenoaz Rao Inkajee, *balance per contra* - - - - -	17,000	0
	24. ..	Omeg Chund and Gopal Chund *payment to Meer Singayet Ali* - - - -	3,885	0
	11. ..	Cash paid your draft in favour of Tukeer Mohummud - - - - - -	1,710	12
	13. ..	Mohummud Reshman, *as per your draft*	1,066	0
	26. ..	Rajah Roop Loll, *your draft in his favour*	39,748	0
	28. ..	Cash paid Meer Hoossain your draft -	1,043	0
	23. ..	Tunkha on Shakee Khan *balance per ct.* -	8,000	0
	24. ..	Do. - do. - *do.* - -	4,000	0
	11. ..	Asfsa Sahib *by your bills* - - - -	5,500	0
	27. ..	Resident's treasury paid to Mr. E. Gordon, *on draft 27th Zeehijj one month's credit*	16,000	0
	1. ..	Cash paid for bola - - - - - -	15,021	5½
	3. ..	Moonur-ool Moolk, *by your order* - -	33,000	0
	5. ..	Rajah Inkappee Nair, *by your draft due in one month* - - - - - - -	8,250	0
	13. ..	Mr. E. Gordon, draft due in one month -	15,200	0
	1. ..	Jumna Dos in account Modhee Khana, *draft in favour Dean Dyal* - - -	10,003	4½
		Carried forward - Rupees	17,57,397	2

			Hyderabad Rupees	A.
H. 1227 :— F. 1222.		Brought forward -	5,89,202	0
Zeehijj	4.	By cash received on account of tunkha on Raee Nanick Ram - - - - -	2,[illegible],000	0
	..	Cash received do. on Ruffaat-ool Moolk	1[illegible],385	0
	..	Cash received do. on Raee Deep Chund	7,000	0
	..	Cash received do. on Bassut Ali Khan	466	0
	27. ..	Resident's treasury on account tunkha in peishcush - - - - - -	2,00,000	0
	23. ..	Received on account tunkha on Shakir Khan, *balance per Dt.* - - - -	8,000	0
	24. ..	Receipt do. on do. - - - - -	4,000	0
	29. ..	Cash received on account do. on Mr. Gordon - - - - - - -	8,000	0
H. 1228. Mohurrum	1. ..	Meer Hydaet Ali, received on account tunkha - - - - - - - -	16,500	0
	..	Received on account tunkha on Shakir Khan - - - - - - - -	10,010	0
	..	Received on do. on Raee Nanuck Ram	300	0
	22. ..	Cash received on do. on Shakir Khan -	20,273	0
	23. ..	Cash received on do. on do. - -	10,000	0
	..	Mooneer-ool Moolk, on 10th Suffer -	5,500	0
	29. ..	Cash received on account tunkha on Shakir Khan - - - - - - -	15,990	0
	..	Cash error in debit, 2d Zeehijj - -	258	0
Suffer	6. ..	Received on account tunkha on Ushroof ool Dowlah - - - - - -	6,733	0
	4. ..	Received on account do. on Karee Moongee Yenkut Rao - - -	4,400	0
	8. ..	Cash received on account do. from Raee Nanuck Ram - - - - - -	24,400	0
	..	Cash received do. on Raee Deep Chund, due 25th Suffer - - - - -	6,000	0
	..	Cash received do. on Ram Moongee Yenkut Rao - - - - - -	9,935	8
	..	Cash error in payment of Rs. 2,000 -	100	0
	..	Cash received on account tunkha on Raee Nanuck Ram - - - -	24,100	0
	16. ..	Cash received do. on Bassut Ali Khan	4,000	0
	29. ..	Rugonauth Dos, on account tunkha -	6,250	0
	30. ..	Shakir Khan, on account do. - -	20,196	0
	..	Nagesoor Ram, draft due in one month	2,000	0
	25. ..	Sekunderjah, received in account tunkha	1,41,000	0
	..	Received on hoondee of Ruffaat-ool Moolk - - - - - - - -	300	0
Rubbee ool awul	3.	Profit and loss Nuzrana, on marriage of your son - - - - - -	20,000	0
	..	Sums received on account tunkha on Rung Rao - - - - - -	2,635	7
	1. ..	Rung Rao received on account tunkha	3,000	0
	4. ..	Resident treasury on account tunkha on Rajah Govind Buksh - - -	37,500	0
	6. ..	Cash received on account tunkha on Rung Row - - - - - -	364	9
	8. ..	Nursing Loll - - - - - -	5,000	0
	7. ..	Mr. S. H. Russell - - - - -	4,000	0
	10. ..	Mr. H. Currie - - - - - -	3,000	0
	..	Mr. W. G. Palmer - - - - -	5,000	0
	..	Cash on account tunkha on Meer Hydaet Ali, 1st Suffer - - - - -	16,750	0
	27. ..	Resident's treasury - - - - -	25,000	0
	12. ..	Received on account tunkha on Rung Row - - - - - - - -	500	0
	..	Suree Noaz Rao, received on account tunkha, *per Dt.* - - - - -	32,000	0
Rubbee oo sanee	8. ..	Received on account Raee Deep Chund	5,000	0
	17. ..	Raee Nanuck Ram - - - - -	12,000	0
	..	Received on account Raee Deep Chund, 8th Jemadee ool awul - - -	5,000	0
	30. ..	Tippoo Sahib - - - - - -	20,000	0
	..	Shakir Khan - - - - - -	17,000	0
	..	Suree Noaz Rao Inkajee - - - -	28,500	0
	..	Raee Nanuck Ram, 18th Jemadee ool awul	12,000	0
	18. ..	Bassut Ali Khan, 18th Rubbee oo sanee	4,000	0
	30. ..	Ruffaat-ool Moolk - - - - -	26,042	0
Jemadee ool awul	15. ..	Ushruff ool Dowlah - - - - -	3,367	0
	7. ..	Cash - - - - - - -	18,500	0
	11. ..	Bhowunnee Shunkur Darai - -	15,900	0
	..	Cuppoor Chund - - - - -	4,323	1
	17. ..	Cash on account tunkha on Cummeer ood Deen Khan - - - - -	10,000	0
		Carried forward - Rupees	15,20,280	9

[Account F.—Folio 11.]

RAJAH CHUNDOO LOLL *in Account Current with Former Concern - - - - Hyderabad.*

Dr. *Cr.*

				Hyderabad Rupees.	A.
H. 12[illegible]:— F. 12[illegible]2.			Brought forward -	17,57,397	2
Mohurrum	1.	To Hoondee on Ranonath, *from Jummadas*		2,340	0
	16.	.. Bill on Kunchee, - *do.* - -		575	0
		.. Rada Kishen, draft due in three months from 10th Zeehijj - - - - -		25,000	0
	12.	.. Hirjumull and Lutchmun Dos, on account purchases - - - -		1,022	0
		.. Jumna Dos, do. - do. - -		175	0
	22.	.. Cash paid your draft in favour of Mirza Mendee - - - - - -		1,931	0
	20.	.. Cash paid do. of Juggeerun Dos - -		2,900	0
	29.	.. Do. Rungum Shroff, *by your order* -		60	0
	15.	.. Mohummud Ram, *your draft due in one month* - - - - - - -		1,760	0
		.. Error in purchase of ropes, 9th Zeekaud		2	0
		.. Cash paid - - - - - -		47	0
		.. Koriban Ali Khan, *draft in favour Chunchull Raee, date 30th* - -		2,140	0
		.. Jumna Dos, *draft in favour do.* - -		1,105	0
		.. Abdool Kureem Khan - - -		835	8
		.. Meer Nasun, *draft in his favour*, 1st Zeehijj - - - - - - -		180	0
		.. Puthroobee, *draft in his favour* - -		360	0
		.. Rada Kishen, *draft in his favour* -		25,000	0
		.. A present paid to Rujeesoor Dos -		100	0
		.. Tunkha on peishcush, *per bill 30th Zeekaud* - - - - - - -		60,000	0
		.. Profit and loss, interest closed to the end of Zeekaud - - - - - -		85,528	9
		.. Cash *on loan*, 29th Rujeb - - -		15,000	0
		.. Bergundas, *do.*, 2d Shabaun - -		12,000	0
		.. Cash, *do.* - - - - - - -		67,000	0
		.. Cash, *do.* - 7th - - - -		4,000	0
		.. Cash, *do.* - 10th - - - -		2,000	0
		.. Cash, *do.* - 12th - - - -		7,000	0
		.. Cash, *do.* - 13th - - - -		4,000	0
		.. Cash, *do.* - 14th - - - -		5,000	0
		.. Cash, *do.* - 15th - - - -		1,000	0
		.. Cash, *do.* - 17th - - - -		3,000	0
		.. Cash, *do.* - 20th - - - -		2,000	0
		.. Cash, *do.* - 21st - - - -		7,500	0
		.. Cash, *do.* - 23d - - - -		1,000	0
		.. Cash, *do.* - 22d - - - -		1,500	0
		.. Cash paid Shurful Nissan Begum, *by your order in account loan*, 10th Shabaun		8,500	0
		.. Cash, *on loan*, 24th Shabaun - -		3,000	0
		.. Cash paid Rajah Roop Loll, *in account loan*, 25th Shabaun - - - -		25,000	0
		.. Gourd Naik, *on loan*, 26th Shabaun -		8,200	0
		.. Do. - *do.* 27th - - -		1,800	0
		.. Cash, *on loan*, - 29th - - -		9,500	0
		.. Cash, *do.* - 4th Rumzaun - -		10,000	0
		.. Cash, *do.* - 5th - - - -		12,000	0
		.. Cash, *do.* - 7th - - - -		20,000	0
		.. Birgruttun Dos, *on loan*, 6th Rumzaun		13,369	14¾
		.. Cash, *on loan*, 8th Rumzaun - -		10,000	0
		.. Cash, *do.* - 9th - - - -		20,630	1½
		.. Modhee Khana, *on loan*, 1st Rumzaun		10,695	0
		.. Cash, *on loan*, 10th Rumzaun - -		5,805	0
		.. Cash, *do.* - 11th - - - -		5,000	0
		.. Cash, *do.* - 12th - - - -		15,500	0
		.. Cash, *do.* - 15th - - - -		5,000	0
		.. Cash, *do.* - 17th - - - -		21,000	0
		.. Cash, *do.* - 19th - - - -		11,500	0
		.. Cash, *do.* - 20th - - - -		2,000	0
		.. Cash, *do.* - 21st - - - -		9,000	0
		.. Cash, *do.* - 22d - - -		5,000	0
		.. Cash, *do.* - 23d - - - -		6,000	0
		Carried forward -	Rupees	23,38,518	3¼

				Hyderabad Rupees.	A.
H. 1228:— F. 1222.			Brought forward -	15,20,240	9
Jemadee ool awul	23.	By Seetaram Bopaul Rao - - -		1,00,000	0
	22	.. Raee Nanuck Ram - - - -		30,000	0
	25.	.. Mr. J. Robison - - - -		6,250	0
	26.	.. Cash on account tunkha on Raee Bal Chund - - - - - -		59,275	0
Jemadee oo sanee	7.	.. Suree Noaz Rao Inkajee - - -		8,500	0
Jemadee ool awul	21.	.. Shakir Khan - - - - -		5,800	0
		.. Rung Rao - - - - -		4,900	0
	28.	.. Cash on account tunkha of Raee Bal Chund - - - - - -		1,425	0
		.. Cash received on account tunkha of Cummeer ood Deen Khan - -		9,900	0
	29.	.. Sums received on account tunkha of Raee Bal Chund - - - -		11,318	0
		.. Cash received on account tunkha of Cummeer ood Deen Khan - -		1,400	0
		.. Maal Chund Mucheta Mull - -		490	0
Jemadee oo sanee	1.	Cash on account tunkha on Raee Bal Chund - - - - - -		10,325	0
		.. Cash on do. on Bassut Ali Khan -		2,000	0
	2.	.. Cash do. on Raee Bal Chund - -		500	0
		.. Cash do. on Cummeer ood Deen Khan		680	0
	3.	.. Cash do. on Raee Bal Chund - -		1,100	0
		.. Cash do. on Cummeer ood Deen Khan		144	0
	4.	.. Cash do. on Raee Bal Chund - -		75	0
	5.	.. Cash do. on do. - - - -		4,730	0
		.. Birgruttun Dos - - - -		1,000	0
	7.	.. Cash on account tunkha on Raee Bal Chund - - - - - -		3,400	0
	8.	.. Cash do. on do. - - - - -		2,250	0
		.. Cash do. on Cummeer ood Deen Khan		760	0
	9.	.. Cash do. on Raee Bal Chund - -		4,112	0
	10.	.. Cash do. on do. - - - -		4,165	0
	11.	.. Cash do. on do. - - - -		250	0
	12.	.. Cash do. on do. - - - -		2,860	0
	14.	.. Cash do. on do. - - - -		5,750	0
		.. Cash do. on Meer Hydaet Ali, per 1st Jemadee ool awul - - - -		5,000	0
	15.	.. Cash do. on Raee Bal Chund - -		200	0
		.. Cash do. on Meer Hydaet Ali, per 1st Jemadee ool awul - - - -		2,900	0
		.. Meer Hydaet Ali, per do. - - -		8,850	0
	16.	.. Cash on account tunkha of Raee Bal Chund - - - - - -		350	0
	17.	.. Cash on account do. of do. - -		4,287	0
	18.	.. Cash on account do. of do. - - -		240	0
		.. Cash on do. of Bassut Ali Khan -		2,000	0
		.. Received on do. of Raee Bal Chund -		900	0
	19.	.. Cash on do. of - do. - -		2,790	0
	20.	.. Cash on do. of - do. - -		4,389	0
	17.	.. Suree Noaz Rao Inkajee - - -		35,236	12¾
	21.	.. Cash on account tunkha on Cummeer ood Deen Khan - -		3,830	0
		.. Cash on do. on Raee Bal Chund -		3,000	0
		.. Received on do. on Cummeer ood Deen Khan - - -		5,645	0
	22.	.. Cash on do. on Raee Bal Chund - -		3,595	0
	23.	.. Cash on do. on do. - - -		1,925	0
	24.	.. Cash on do. on do - - -		2,000	0
	25.	.. Cash on do. on do. - - -		2,300	0
	27.	.. Cash on do. on do. - - - -		8,450	0
		.. Cash on do. on Cummeer ood Deen Khan		415	0
	28.	.. Received on do. on Raee Bal Chund -		1,100	0
	29.	.. Cash on do. on do. - - - -		1,449	0
	30.	.. Cash on do. on Rajah Bal Kishen -		2,710	0
Rujeb	1.	.. Cash on do. on do. - - -		315	0
	2.	.. Cash on do. on do. - - -		875	0
	3.	.. Cash on do. on Cummeer ood Deen Khan - - -		4,845	0
	4.	.. Cash do. on do. - - - -		2,985	0
		Carried forward -	Rupees	19,16,221	5¾

[Account F.—Folio 12.]

RAJAH CHUNDOO LOLL *in Account Current with Former Concern - - - - Hyderabad.*

Dr. *Cr.*

H. 1228 :— F. 1222.			Hyderabad Rupees.	A.
		Brought forward -	23,38,518	3¼
Mohurrum ..	To Cash *on loan* -	on 24th Rumzaun	2,500	0
	.. Cash *do.* - -	25th - -	50,266	0
	.. Payments in bills *in account loan* -	21st - -	1,88,210	0
	.. Bhuwanee Naick *do.*	16th - -	9,250	0
	.. Fakir Ali Khan *do.*	10th Shuwaul	2,000	0
	.. Sureenoaz Rao *do.*	11th - -	8,157	0
	.. Shadee Khan *do.*	18th - -	5,266	10¾
	.. Marmances *do.*	29th - -	71,000	0
	.. Hoondee of Raee Bal Chund - *do.*	7th Zeekaud	48,000	0
	.. Hoondees of Raee Nanick Ram - *do.*	- - -	5,000	0
	.. Surenoaz Roa - *do.*	9th - -	40,000	0
Suffer .... 1.	.. Cash - - - - - - -		14,963	6¾
8.	.. Mr. Sotheby for purchase of a shawl -		120	0
11.	.. Purchases of jewels as per account particular on 22d Zeekaud -	7,080 0		
	30th - -	3,025 0		
			10,105	0
1.	.. Jumna Dos in account Modhee Khana, *draft in favour of Deen Dyal* -		12,483	0
11.	.. Sooltan Hoossain Khan } *balance of*		3,400	0
	.. Mahomed Noaz Khan } *allowance*		3,340	0
30.	.. Paid to Abdoor Ral, *payment of Sooltaun Hoossain Khan, per Rajah's desire* - - - - - - -		500	0
Rubbee ool awul 3.	.. Mr. H. Palmer for purchase of tents -		810	0
	.. Mr. S H. Russell for do. of one kunthee		20,000	0
5.	.. Do. for a diamond ring - -		5,500	0
6.	.. Cash paid Captain Tyler's bearers -		172	0
1.	.. Jummad Dos, *draft on account charities to this date* - - - -		17,120	0
15.	.. Sureenoaz Rao Inkajee on account his tunkha, *per Ct.* - - - -		32,000	0
18.	.. Mr. H. Palmer for a tent - - -		550	0
Rubbee oo sanee 20.	.. Jumna Dos on account Modhee Khana *to 1st Rubbee ool awul* - - -		24,009	9
1.	.. Dilput Ram, *paid by your order through the moonshee* - - -		269	8
12.	.. Mooneer-ool Moolk, *by your order* -		51,112	1
1.	.. Jumna Dos, *draft* on account Modhee Khana, Rupees 15,657. 4¼ and account Bela, Rupees 15,760. 9. -		31,417	13¼
	.. Transfer to the following for Jewellery on 20th Rubbee ool awul :			
	Bhowanee Shenkur Danee	24,765 0		
	Mr. W. Palmer - -	2,400 0		
	Bunkutty Dos - - -	1,000 0		
	Pursotum Dos - -	2,475 0		
	Radakishen - - -	2,000 0		
	Chuttenbooj Dos - -	3,915 0		
	Ram Sumeel Bahr Sing -	9,450 0		
	Damoodhurdas - -	300 0		
	Golab Dos - - -	700 0		
	House Goods - - -	33,177 0		
	Birgruttun Dos - -	5,456 11		
	Jumma Dos - - -	6,000 0		
			91,638	11
	.. Transfer to the following for purchases of shawls, &c. on 22d Rubbee ool awul :			
	Jumma Dos - - -	4,594 10½		
	Radakishen - - -	1,950 0		
	Chutturbooj Dos - -	4,300 0		
	Omind Mull - - -	3,020 2		
	Cuppoor Chund Luchy Ram	1,141 8		
	Hurjumull and Lutchman Dos - - - -	13,716 3		
	Mohummud Bindralim -	8,402 12		
	Mr. Geroas Robinson -	3,279 10		
	Mr. Sotheby - - -	661 0		
	Runchoor Dos - -	3,245 2		
	Burgruttun Dos - -	120 0		
	Calcutta Goods - -	500 0		
	Carried forward	44,930 15½		
	Carried forward		30,87,678	15

H. 1228 .— F. 1222.			Hyderabad Rupees	A.
		Brought forward -	19,16,2[illegible]	5¾
Rujeb.... 5.	By Karee Moongee Yunkut Rao -		9,9[illegible]	9½
4.	.. Resident's treasury - - -		18,00[illegible]	0
9.	.. Ruffaat-ool Moolk - - -		77,29[illegible]	0
13.	.. Cash on account tunkha on Cummoor ood Deen Khan - - - - -		660	0
12.	.. Received on account of Rajah Bal Kishen		1,100	0
13.	.. Received on account of Cummoor ood Deen Khan - - - - -		228	0
15.	.. Cash on account - on do. - - -		23	0
Shabaun.. 1.	.. Raee Bal Chund - - - - -		47,123	0
4.	.. Cash on account tunkha on Bassat Ali Khan - - - - - -		2,000	0
5.	.. Shakir Khan - - - - -		10,000	0
1.	.. Meer Hydaet Ali - - - -		16,582	6
16.	.. Raee Nanuck Ram - - - -		30,000	0
17.	.. Cash on account tunkha on Ushruf ool Dowla - - - - - - -		5,000	0
18.	.. Cash - on do. - do, in full - -		50	0
	.. Cash - on do. - on Bassat Ali Khan		2,000	0
16.	.. Nehpal Raee and Munnoo Loll - -		18,000	0
20.	.. Shakir Khan - - - - -		33,079	0
24.	.. Rajah Ragonatt Row - - - -		80,000	0
25.	.. Raee Bal Chund - - - - -		2,877	0
Rumzaun 1.	.. Rung Row - - - - - - -		1,866	0
9.	.. Resident's treasury - - - -		50,000	0
	.. Sureenoaz Rao Inkajee - - -		46,000	0
12.	.. Tippoo Sahib - - - - -		12,023	0
14.	.. J. Robison - - - - - -		2,668	0
	.. Dhumajgen - - - - - -		2,668	0
	.. Shakir Khan - - - - -		7,510	0
16.	.. Raee Nanuck Ram - - - -		33,000	0
18.	.. Tippoo Sahib - - - - -		2,977	0
20.	.. Resident's treasury - - -		50,000	0
	Carried forward - Rupees		24,78,887	5¼

(Signed) WM. PALMER and Co.

[Account F.—Folio 13.]

RAJAH CHUNDOO LOLL *in Account Current with Former Concern - - - Hyderabad.*

Dr. *Cr.*

			Hyderabad Rupees.	A.
H. 1228:— F. 1222.				
		Brought forward	30,87,678	15
Rubbee oo sanee	..	To transfer on 22d Rubbee ool awul amount carried forward	44,930	15½
		For chases of shawls, &c. at 4 months credit. Puddumsee and Nynsee	10,917	14½
		House Goods -	16,218	3½
		Chutterbooj Dos -	30,505	14
		Mahanund Ram -	14,583	0
		Bergruttun Dos - -	2,163	0
			1,09,318	15½
Rubbee oo sanee	1.	To interest to this date - - -	1,41,436	10¼
	..	Hukeem Shufaee Khan *draft in his favour* - - - - - -	3,000	0
	..	Syeed Mahommud Sahib, *his tunkha* -	1,200	0
	..	Hurjeemull and Lutchmundos, *chits of Chunchal Row*, 1st Suffer - -	1,678	0
	..	Sirdar Khan - - - *do.* -	695	12
	..	Meer Ata Hoossain - - *do.* -	679	11
	..	Puddumsee and Nynsee - *do.* -	1,603	1
	..	Cash, *paid by your order* 2,418. 4. + 2,473 - - - - - - -	4,891	4
Jemadee ool awul	4. ..	Meer Jaffeer Ali, *transfer* - -	597	8
	10. ..	Captain Tyler's bearers, cash paid them	86	0
	13. ..	Resident's treasury, 27th Rubbee ool awul - - - - - - -	25,000	0
	17. ..	Hafiz Mooshtay, *as per our draft* -	625	0
	..	Mr. H. Palmer as per your draft in his favour - - - - - - -	4,562	8
	24. ..	Bank notes - - - - -	10,000	0
	26. ..	Do. - - - - - - -	2,000	0
	..	Bergruttun Dos, *in purchase of jewels* 20th Rubbee oo sanee - - -	2,247	0
	..	Bhuwanee Shunkar Darnee - *do.* 20th Rubbee oo sanee - - -	5,877	0
Rujeb....	12. ..	Cash paid to Abbas Ali on your draft	600	0
	7. ..	Marharjee *and musicians per your draft in their favour* - -	1,546	4
	..	Birjruttees - - *do.* - -	2,488	8
	15. ..	Cash, *per your draft in favour Buxoolla Khan* - - - - - -	4,000	0
	..	Resident's treasury, *returned protested bill of Rajah Govind Buksh* - -	18,000	0
Shabaun....	3. ..	Cash *paid to Rehmut Ali for the Rajah of Paloncha* - - - - -	100	0
	8. ..	Seven months' pay to Mr. Danzas -	3,500	0
	13. ..	Cash *paid to Runjum his pay for six months* - - -	90	0
Rumzaun..	2. ..	Bank notes - - - - -	5,000	0
	..	Cash *in part payment of monthly allowance of Rupees* 25,000	10,000	0
	9. ..	Bank notes - - -	4,000	0
	10. ..	Cash *advanced to Eshwar Rao* - -	71	0
	11. ..	Mr. E. Gordon for purchase of sundry military stores - -	261	8
	4. ..	Ram Buksh - - - - -	500	0
	..	Ushtee Kae Nasein } *in part advance*	1,000	0
	..	Condapelly Jayormal } *Rupees* 10,000	1,000	0
	..	Ruffaat-ool Moolk, *hoondies given us by R. O. M.* - - -	3,500	0
	16. ..	Mr. W. Palmer, per your draft dated 27th Rujeb *in his favour* - -	37,400	0
	..	Sooltan Hoossain Khan *do.* - *do.* *date 11th Shabaun* - - - -	12,555	0
		Carried forward -	35,08,839	8¾

			Hyderabad Rupees.	A.
H. 1228:— F. 1222.				
Rumzaun	29.	By amount brought forward - -	24,78,887	5¼
	..	Balance - - - - - -	10,29,952	3½
		Carried forward -	35,08,839	8¾

(Signed) WM. PALMER and Co.

[Account F.—Folio 14.]

RAJAH CHUNDOO LOLL *in Account Current with Former Concern - - - Hyderabad.*

Dr. *Cr.*

H. 1228 :— F. 1222.			Hyderabad Rupees.	A.
Shuwaul ..	1.	To balance brought forward - -	10,29,952	3½
	9.	To Rajah Lukappa Nair, *by your draft dated 30th Rumzaun* - - - -	15,750	0
	13. ..	Cash *in part payment of Rs.* 25,000 -	10,000	0
	14. ..	Interest closed to 1st Rumzaun - -	1,39,213	1½
	..	Bunketty Dos, *on account interest due to him* - - - - - -	1,600	0
	..	Jumna Dos, *for present to Rajasoor Dos*	200	0
	..	Ramzan Khan, *transfer* - - -	296	13
	..	Omud Sing and Bhugwunt Sing, *transfer*	123	0
	..	Mahomed Hussain Jumadar, *do.* -	105	0
	..	Puthrobee, *draft* - - - -	360	0
	15. ..	Cash *in part draft Rs.* 25,000 - -	6,000	0
	16. ..	Cash *paid to Inkut Ram Pundit, on account your draft* - - - - -	4,484	0
	1. ..	A joognee - - - - -	225	0
	17. ..	Cash, *paid to Inkut Ram Pundit in account draft Rs.* 25,000 - - -	500	0
	..	Baboo Sewdut, *in part draft* - -	4,016	0
	.	Purchase of shawls :— 8th Shuwaul - - Rs. 7,157 0 23d - - - 1,002 0	8,159	0
Zeekaud ..	8. ..	Sooltaun Hoossain Khan, *as per draft due in two months* - - - -	31,208	0
	12. ..	Radakishun Gomasta—*purchase four pair shawls* - - - - - -	1,150	0
	29. ..	Jewellery - - - - - - -	60	0
	..	Kishen Dos, *for Ottar* - - -	800	0
Zeehijj	9. ..	Jewellery - - - - - -	7,833	0
	7. ..	Do. - - - - - - -	425	0
	4. ..	Do. - - - - - - -	832	8
	13. ..	Calcutta Commission, as per account particular—*shawls* - - - -	4,935	0
	..	Sundries *purchases*, do. *of do.* - -	1,132	0
	..	Hukeem Shufaee Khan, *for two pairs shawls* - - - - - -	650	0
	24. ..	Cash *paid you in account bond of Rajah Juggernath Rao* - - - -	15,000	0
	25. ..	Asfeah Sahib, *in account your hoondee*	7,000	0
	27. ..	Cash, *in account bond of Juggernath Rao*	12,800	0
	28. ..	Cash, *do.* - *do.* - - -	12,860	0
	29. ..	Cash, *do.* - *do.* - - -	2,340	0
H. 1229. Mohurrum	3. ..	Cash *lent you* - - - - -	5,000	0
	4. ..	Jewellery - -	1,435	0
	..	Puddumsee and Nynsee - - *Purchases at four months' credit, paid 26th Zeehijj.*	500	0
	..	Nouruttun Dos -	775	0
	5. ..	Jumna Dos, *in account tunkha of Ruffaat-ool Moolk* - - - - -	2,000	0
	..	Jewellery—*Purchase*, pr 4th Zeehijj -	2,140	0
	..	Do. - *do.* - 13th do. - -	1,023	10
	..	Mahamood Noaz Khan, *purchase four months' credit*, 26th Zeehijj - -	114	0
	11. ..	Cash *in account tunkha of Ruffaat-ool Moolk* - - - - - -	7,700	0
	12. ..	Jumna Dos, *do.* - *do.* - -	300	0
	..	Rada Kishen Gomastah, *for piece goods and jewellery* - - - - -	1,082	4
	11. ..	Nursoo :—11*th, paid* - *Rs.* 360 0 14*th Zeehijj* - - 400 0	760	0
	20. ..	Cash *paid to elephant men* - - -	200	0
Suffer	1. ..	Mr. G. Robison, as per account particular—*Purchases at four months' credit*, pr 30th Zeehijj - - - -	525	0
	..	Do. - do. - *do.* pr 20th inst.	724	0
	..	Rada Kishen Gomashta, *do.* - *do.*	227	8
	..	Suffer Sahib - *do.* - *do.*	200	0
	..	Sundries - - *do.* - *do.*	238	0
	..	Hukeem Shuffaee Khan *do.* - *do.*	300	0
	..	Puddumsee and Nynsee *do.* - *do.*	1,977	8
	5. ..	Two pair dustbunds *do.* - *do.*	695	0
	..	Oomar Sahib - - *do.* 20th Zeehijj	1,000	0
	..	Kishen Dos - - *do.* do. -	211	0
	..	Ramjeemul and Bahadoor Sing—*Jewels do.* - - - - - - -	620	0
	..	One sirpainch - - - - -	100	0
		Carried forward - Rupees	13,49,907	8

H. 1228 :— F. 1223.			Hyderabad Rupees.	A.
Shuwaul ..	2.	By Shakur Khan - - - - -	40,500	0
	10. ..	Ruffaat-ool Moolk - - - -	42,355	0
	13. ..	Tippoo Sahib - - - - -	4,650	0
	19. ..	Resident's treasury - - - -	1,50,000	0
Zeekaud	1. ..	Ruffaat-ool Moolk - - - -	11,000	0
	..	Shakeer Khan - - - - -	21,000	0
	3. ..	Bassut Ali Khan - - - -	4,000	0
	6. ..	Resident's treasury - - - -	12,000	0
	9. ..	Shakur Khan - - - - -	368	0
	8. ..	Raee Nanick Ram - - - -	32,155	0
	28. ..	Do. - - - - - -	5,050	0
Zeehijj	14. ..	Tippoo Sahib - - - - -	5,000	0
	20. ..	Do. - - - - - -	6,000	0
	29. ..	Cash - - - - - -	15	5½
H. 1229. Mohurrum	5. ..	Cash - - - - - -	109	0
	11. ..	Do. - - - - - -	324	3¼
	19. ..	Shakur Khan received on account tunkha - - - - - -	13,000	0
	..	Ruffaat-ool Moolk - - - -	13,133	12
	..	Raee Nanuck Ram - - - -	9,000	0
	29. ..	Shakur Khan, in part payment of tunkha	90,000	0
Suffer	1. ..	Tippoo Sahib on account tunkha - -	4,000	0
	2. ..	Shakur Khan - do. - -	14,000	0
	10. ..	Ruffat ool Moolk - do. - -	12,366	4
	..	Race Nanuck Ram do. - -	53,000	0
Rubbee ool awul	8. ..	Do. - do. - do. - -	3,000	0
	26. ..	Race Bal Chund - do. - -	38,176	0
Rubbee oo sanee	4. ..	Do. - do. - do. - -	15,725	0
	6. ..	Tunkhas remitted, *cancelled per debit* -	90,490	0
	11. ..	Race Nanuck Ram - - - -	6,000	0
	27. ..	Ruffaat-ool Moolk - - - -	25,000	0
	..	Raee Bal Chund - - - -	24,289	12
Jemadee ool awul	1. ..	Ruffaat-ool Moolk - - - -	3,062	8
	2. ..	Race Bal Chund - - - -	21,810	4
	18. ..	Do. - - - - -	22,750	0
	26. ..	Do. - - - - -	27,197	12
	28. ..	Mahanund Ram - - - -	1,554	0
Jemadee oo sanee	4. ..	Rajah Sutaram Bhopaul - - -	50,300	0
	11. ..	Ruffaat-ool Moolk - - - -	2,362	8
	16. ..	Rung Row—Transferred from 12th Jemadee ool awul - - - -	4,900	0
	21. ..	Resident's treasury - - - -	50,000	0
	..	Raee Bal Chund - - - -	24,164	4
	15. ..	Messrs. W. Palmer and Co. - -	2,50,000	0
Rujeb	21. ..	Race Bal Chund on account tunkha -	25,887	0
Shuwaul ..	1. ..	Messrs. W. Palmer and Co. - -	9,409	4
	..	Profit and loss - - - - -	99	12
H. 1230. Suffer	11. ..	Ruffaat-ool Moolk, 1st Rumzaun -	1,469	8
	10. ..	Messrs. W. Palmer and Co. -	5,000	0
Rubbee ool awul	17. ..	Do. - - from 1st instant -	50,000	0
	29. ..	Do. on account tunkha of Ruffaat-ool Moolk - - - - - - -	51,500	0
Rubbee oo sanee	— ..	Do. - - - - - - - -	1,18,500	0
	14. ..	Do.—transferred from 1st Rubbee ool awul - - - - - -	2,00,000	0
Jemadee ool awul	16. ..	Do. - do. - 1st instant -	1,00,000	0
Rumzaun ..	1. ..	Timber trade - - - - -	4,969	12
	1. ..	Received on account Ramzen - -	840	0
F. 1225. Shuwaul ..	1. ..	Messrs. W. Palmer and Co. - -	1,88,897	9¼
		Carried forward to folio 16 - Rupees	19,60,381	6

[Account F.—Folio 15.]

RAJAH CHUNDOO LOLL *in Account Current with Former Account* . . . . *Hyderabad.*

Dr. *Cr.*

				Hyderabad Rupees.	A.
H. 1229:— F. 1233.			Brought forward -	13,49,907	8
Suffer	6.	To Bergruttun Dos	*for jewels, four months' credit*, 22d Zeehijj - - - -	2,500	8
	..	Rada Kishen Gomashta	*do.* - do.	1,525	8
	16. ..	Cash paid to Ramzan Khan,	*your draft on us in his favour* - - - -	604	9
	..	Cash paid to Rungum Shroff,	*five months' pay* - - - - -	75	0
	24. ..	Rada Kishen Gomashta,	*jewels*, 30th Zeehijj - - - - - -	340	0
	28. ..	Messrs. Griffiths and Co. for twenty-one shades - - - - - -		458	6¾
	..	Five per cent., commission on above -		22	14¾
Rubbee ool awul	7.	Puddumsee and Nynsee	*for a pair shawls, pr. 29th Suffer* - - -	210	0
	10. ..	Mr. G. Robison,	*purchases, at four months' credit* - - - -	4,615	1
	..	Mr. C. Hampton -	*do.* - *do.*	344	12
	20. ..	Chillum Juggaput	*do.* - - -	734	0
Rubbee oo sanee	3. ..	Jewellery - - - - - -		4,644	6
	6. ..	Mr. H. Palmer,	*his allowance for one thousand two hundred and twenty-two Fuslee*	4,000	0
	..	Do. for feeding of elephants - -		778	12
	..	Puthroobee paid to 1st of Rubbee ool awul,	*your draft* - - - - -	360	0
	..	Mahomed Hoossain, 19th Rumzaun,	*transferred* - - - - -	100	0
	..	Bergruttun Dos,	*purchases of jewellery*	10,313	12
	..	Rungum Shroff, to the end of Suffer,	*his pay* - - - - - -	30	0
	..	Interest - - to do.	- - - -	1,19,310	0
	..	Rajesor Dos,	*Deewala present* - -	100	0
	..	Tunkhas remitted per contra,	*cancelled per Ct.* - - - - - -	90,490	0
	10. ..	Mr. Raee for ten tickets - - -		250	0
	18. ..	Mr. S. Russell for furniture - -		2,052	0
Jemadee ool awul	2.	Sundries	*for purchases, at four months, from 29th Rubbee oo sanee* - -	754	0
	..	Puddumsee and Nynsee	*do.* do.	410	0
	9. ..	Mr. H. Palmer as per your draft -		8,000	0
	21. ..	Jewellery -	*do.* — *To purchases of Jewels at four months' credit.*	2,482	8
	..	To Oomer Shahib	*do.* — *To purchases of Jewels at four months' credit.*	712	0
	..	Kishen Dos -	*do.* — *To purchases of Jewels at four months' credit.*	475	0
	23. ..	Sundries - -	— *To purchases of Jewels at four months' credit.*	720	0
	..	Puddumsee and Nynsee,	*purchase of cloth* - - - - - -	380	0
	..	Mahamad Sulahood Deen -	*do.* -	65	0
Jemadee oo sanee	1. ..	Jewellery - - - - - -		2,193	12
	..	Commission of jewellery - - -		481	4
	..	Kishen Dos,	*jewellery* - - -	900	0
	..	Oomer Shahib,	*do.* - -	445	0
	13. ..	Pair of shawls - - - - -		372	8
	..	Puddumsee and Nynsee,	*for a pair of shawls* - - - - -	195	0
	..	Nursoo	*for four pairs of shawls* - -	735	0
	..	Messrs. W. Palmer and Co., one pair shawls - - - -		75	0
	21. ..	Mr. G. Robinson, as per account particular - - - - - -		580	0
Rujeb	2. ..	Hukeem Shuffaee Khan	*on draft for Rs. 10,125. 9¼*	7,600	0
	..	Shakur Khan,	*amount of interest due by you*	743	5½
	..	Kota Rajuma		96	0
	..	Ushtahul Nanian -		76	5¾
	..	Punce Passia - - -		1,047	6
	..	The estate of Mr. Burgh, arrears of May		562	8
	1. ..	Jewellery - - -		1,040	8½
	4. ..	Puddumsee and Nynsee,	*for shawls at four months' credit* - - -	590	0
	5. ..	Jewellery - - - - -		1,050	0
	..	Kishen Dos,	*at four months' credit*	650	0
	..	Oomer Shahib	*do* - -	667	0
	7. ..	Mr. W. Palmer -	*do.* - -	293	12
	13. ..	Puddumsee and Nynsee,	*for shawls* -	405	0
	21. ..	Mr. Danzas for two pieces of cloth -		80	0
	8. ..	Sixteen maunds candles, transferred from 29th Rujeb - - - -		255	0
Rumzaun ..	6. ..	Cash paid Mahomed Saeed Khan,	*by your desire* - - - - -	1,000	0
	14. ..	Cash paid to Shaikh Mukdoom, &c.	*do.*	228	9
F. 1224. Shuwaul....	7. ..	Mr. W. Palmer, your draft,	*one year's allowance to 12th Rumzaun* - -	27,840	0
	..	Sooltan Hoossain Khan	do. -	8,400	0
			Carried forward	16,66,368	04

[Account F.—Folio 16.]

RAJAH CHUNDOO LOLL *in Account Current with Former Concern - - - Hyderabad.*

Dr. *Cr.*

H. 1229:— F. 1224.			Hyderabad Rupees.	A.
		Brought forward -	16,66,368	0½
Shuwaul ..	7.	To Mahomud Noaz Khan per your draft allowance to 1st Rumzaun - -	9,060	0
		.. Mr. H. Palmer - do. - -	4,000	0
		.. Mr. R. Palmer - do. - -	7,200	0
		.. Syud Hoossain Sahib do. *on account pay of horsemen* - - - -	14,955	0
	8.	.. Bergruttun Dos, *per account rendered on following dates:*		
		Purchases. 7th Zeehijj - - 4,236 7		
		11th - - - 1,982 2		
		15th - - - 1,598 14		
		2d Shuwaul - - 750 0		
		1st Suffer - - 90 0		
		29th Rubbee oo sanee 225 0		
		30th - - - 1,599 0		
		21st Jemadee oo sanee 415 0		
		30th - - - 350 0		
			11,246	7
	1.	.. Messrs. W. Palmer and Co. *N. C.* transfd. amount due to Rajah Jyshunkur Dos - - - - -	42,920	0
		.. Koshen Chund *transfer* from 5th Zeehijj	500	0
		.. Porthreebee *draft in her favour* 1st Rumzaun - - - - - - -	480	0
		.. Rungum Shroff, *his pay* - - -	90	0
		.. Meer Moonwur Ali *transfer* - -	510	7
		.. Interest to 1st Rumzaun - - -	87,287	2¼
H. 1230. Suffer	2.	.. Cash paid Rungum Shroff, *for 5 months' pay* - - - - - - -	75	0
Rubbee oo sanee	4.	.. Cash paid Mohur Sing *guards* - -	120	0
	8.	.. Cash paid Bhowanee Sing Naig, *do.* -	38	0
	9.	.. Interest to 1st Rubbee ool awul last -	72,642	6½
		.. Mersoo Naig, *account closed, guards* -	44	0
		.. Syud Rassool - - - *do.* -	200	0
		.. Ramgeer, *guards* - - - -	428	11
		.. Ruffaat-ool Moolk, *transfer Akham* 10,000 *Rupees* 1 *Valzur* - - -	9,000	0
Jemadee ool awul	2.	Cash paid Mohur Sing and Bhomanee Sing, *transfer* - - - -	158	0
Jemadee oo sanee	3.	.. Cash paid Sepoys - - - -	50	0
Rumzaun	1.	.. Messrs. W. Palmer and Co. *for 3 months' wages to Bhowanee Sing and Mohur Sing charged in their books to end of Rujeb at* 158 *Rs. per mensem* - -	474	0
F. 1225. Shuwaul..	1.	.. Interest to this date - - - -	32,534	8¼
		Rupees	19,60,381	10½

H. 1229:— F. 1223.			Hyderabad Rupees.	A.
Jemadee oo sanee	13.	By amount brought from folio 14. -	19,60,381	5
		.. Profit and Loss - - - - -		4½
		Rupees	19,60,381	10½

(Signed) W. PALMER and Co.

(A true Copy)

(Signed) GEORGE SWINTON,
Secretary to Government.

Enclosures in Bengal Political Letter, 31 July 1823.

(Enclosure No. 6 in Bengal Political Letter, dated 31st July 1823.)

GOVERNOR-GENERAL'S MINUTE.

Governor General's Minute, 30 July 1823.

1. I have examined the accounts received from the Resident at Hyderabad, with his despatches of the 12th and 14th instant, with all the attention which the time I have been able to devote to them will allow. They are too voluminous, various, and intricate, to enable me to attempt to judge correctly of all the details which they embrace; but there are certain prominent points which appear quite distinct to my observation, and I am not aware that any practical object would be attained by more minute investigation, since the Resident has commenced, and perhaps by this time completed, a course of payments, to the amount, as stated by him, of seventy-five lacs of rupees, reserving for charges that may eventually be disallowed, a sum of about twenty lacs. An examination in detail is, at all events, not immediately necessary; nor need we, as it appears to me, delay coming to a conclusion on the main questions arising out of these accounts.

2. They consist of four sets of accounts.

1st. The General Account-Current between William Palmer and Co. and Chundoo Loll, from the month of Jemadee oo sanee 1229 H. (or June 1814) to 24th Shuwaul 1238 H. (or 4th July 1823).*

2d. The Sixty-Lac Loan Account, commencing 30th Shuwaul 1235 (or 10th August 1820), and ending 1st Zeekaud 1238 H. (or 11th July 1823).†

3d. The Berar Suwar Account,‡ exhibiting a balance of Rupees 20,57,219 which was transferred to the Sixty-Lac Loan (see folio 36 of General Account-Current).

4th. Account of what is termed the "Old" or "former Concern,"§ or that previous to their public assumption of the designation of William Palmer and Co. This account commences with 10th Rujeb 1226 H. (or 1st August 1811), and ends in 1st Shuwaul 1230 (or 6th September 1815).

3. The Account A. comprehends the transfers which formed the fictitious Sixty-Lac Loan. That transaction took place in August 1820; and accordingly, in the accounts of that period (folios 35 and 36) will be found in the debit side of the account,

1st. A balance of Rupees 26,82,402. 7¼, brought forward from the last month's accounts;

2d. "Aurungabad firm, balance due to us with interest, Rupees 13,18,669. 8¼;"

3d. "Berar Suwars, their account closed Rupees 20,57,219. 7."

Balance	Rupees	26,82,402 7¼
Aurungabad balance..		13,18,669 8¼
Berar Suwar balance..		20,57,219 7
	Rupees	60,58,291 6½

These items make up the sum of sixty lacs, with a small addition.

On the same side of the account, the following item occurs:

"To compensation on loan and premium on interest reduced, Rupees 8,00,000."

On the credit side we meet the following entry (folio 36): "By your new account transfer amounts 52,00,000 8,00,000 Rupees 30th Shuwaul 1235 H. (10th August 1820) 60,00,000:" and with this sum commences the separate account of the Sixty-Lac Loan, or as it is termed, "New Account-Current;" thus:

30th Shuwaul.	"To Rajah Chundoo Loll, transfer amount at his credit"	52,00,000
	"To compensation, &c."	8, 00,000

The

* Marked in red ink A, with two enclosures, A 1 and A 2, and an explanatory account B.
† Marked C, with an explanatory account D.
‡ Marked E.
§ Marked F.

Enclosures in Bengal Political Letter, 31 July 1823.

Governor General's Minute, 30 July 1823.

The other debits in Account A. about the same period, with the exception of Rupees 4,25,579 to Noor-ool Omrah (which is known from other accounts to be an advance to enable him to discharge troops), and some other items, of which no explanation is given, and which do not, in the aggregate, amount to a sum that can at all affect this view of the case, consist of advances to individuals of sums of various, and generally of small amount, purchases of jewellery and the like, such as occur throughout this account. It is evident, therefore, even supposing that the correspondence of the sums above specified with the nominal amount of the loan, be an accidental coincidence, which I can hardly imagine, that the sixty-lac loan consisted of transfers in account, and nothing more. Thus the statement of the Resident, founded on his inspection of the accounts, is abundantly confirmed; and the transaction of the sixty-lac loan, from which such mighty benefits to the Government and country of the Nizam were promised, and asserted by the late Resident to have been actually realized by the judicious application of the money advanced by the house, appears to have been, from beginning to end, a mere juggle, by which the house obtained the virtual guarantee of the British Government to their debt to that amount, and confirmed the impression on the Minister's mind of their unlimited influence. That such a profligate and audacious fraud should have been attempted, or if attempted, should succeed, could not be believed, except on the evidence of the accounts of the house, under their own hand. The statements A. 1 and A. 2 are merely details of the various purchases of jewellery, shawls, and cloths, which form so large a portion of the items of the General Account A. Account B. is explanatory of that portion of Account A. comprehended between the 1st Jemmadee ool awul 1238 H. (or 12th January 1823) to 24th Shuwaul (or 4th of July). The results correspond with the general account, and shew a payment from the Resident's treasury, amounting to Rupees 13,48,768 (20,00,000 having previously been advanced in two separate payments) to close this account.

4. Account C. shews the progress of the sixty-lac loan, from the period of the transfer above noted to the close of the account on the 1st Zeekaud 1238 (11th July 1823), leaving a balance in favour of the house of Rupees 3,90,441; from which it appears that the payments made by the Minister have served to keep the sum down within a trifle to the original amount of the nominal principal, minus the eight lacs of compensation; but no progress whatever has been made in the reduction of the principal itself. Account D. is explanatory of parts of C, and the results correspond. Account E, the "Berar Suwars Account," requires no particular remark in addition to that made above, that the Balance, Rupees 20,57,219, was, on the 10th August 1820, transferred to the new or Sixty-Lac Loan Account. It is impossible to ascertain the correctness of the items of this account, without a tedious investigation, which would probably be defeated by the chicanery of the house and the Minister. The payments seem to be on account of troops, and to constitute a separate concern from the Aurungabad arrangement.

5. Account F. exhibits the transactions of Mr. William Palmer and his partners, or of that person alone, from the period of his commencing business to 1814, when they adopted the public designation of William Palmer and Co. The occasions of these payments, some of which are extremely small, are unexplained and unintelligible. The credit side (Folio 14) contains several entries to the following effect: "By Messrs. William Palmer and Co.," amounting in the aggregate to Rupees 9,21,306, which, with two exceptions of small amount, are transferred to the debit side of the General Account-Current with William Palmer and Co., marked A.

6. The above are stated by the Resident, in his despatch of the 14th instant, to complete the accounts between the Minister and the house.

7. Those Accounts, and the Account of the Aurungabad concern previously sent, shew the total amount of debt, of which we undertook the adjustment, to be as follows:

General Account*	Rupees	33,48,786
Aurungabad Account*		11,80,180
Sixty-Lac Loan Account		53,90,441
Carried forward	Rupees	99,19,407

Of

* See despatches from the Resident, under dates the 24th May and 12th July 1823.

Brought forward..... Rupees	99,19,407
Of these the two first sums have been paid	45,28,966
Leaving in course of payment	53,90,441
Of this the Resident proposes to reserve for eventual disallowances	20,00,000
	33,90,441
Add payments made as above	45,28,966
Total paid and in course of payment ..... Rupees	79,19,407

This does not strictly square with Sir Charles Metcalfe's statement; but it is not very material to the present purpose to discover where the error lies.

8. It is now necessary to consider of the disposal of the reserved sum of twenty lacs of rupees; in order to which we are first to determine, whether any, and what items, are to be disallowed. It is only those which are prominently extravagant and disgraceful to which our attention need be directed; for although many of the items might be traced to the most corrupt sources, it would be impossible to sift them, without an enormous, and, under the circumstances, useless expenditure of time and labour. Acting on this principle, we may confine our views to the bonus, and the payments, or rather charges, on account of pensions to the Palmer family. The Resident has adverted to several payments to an individual named Nursoo, of a very suspicious character. They amount in the aggregate to about Rupees 8,00,000; but to these the foregoing observation appears to apply with peculiar force. The bonus with interest amounts to about Rupees 13,50,000. The arrears of allowances to the Palmers may be roundly taken at 5,00,000, total 18,50,000, which will be somewhat more than covered by the sum reserved by the Resident.

9. I presume that it will only be necessary to declare to the House and the Minister, the decision of Government, that these items originating in no public motive, but on the contrary in views at variance with every notion of the interests of the Nizam or his people, and solely for the benefit and gratification of persons whose conduct is deserving of the severest reprobation and punishment, cannot be recognized as forming a part of the debt which we have undertaken to discharge, and that we shall not interest ourselves in any manner for the liquidation of the demand, on account of which no further payments must be made.

10. I have only further to state, with respect to the accounts, that I do not perceive that the Resident has any where reported, that they have been admitted by the Minister: but as this point was particularly adverted to in his instructions, as it was duly observed in the adjustment of the Aurungabad accounts, and is besides so obviously necessary, I cannot suppose that it has been overlooked by the Resident, though he has not expressly noticed it.

11. It will now be proper to consider the procedure to be adopted with regard to the members of the house, which was reserved until the receipt of the accounts. After what I have already stated, I need scarcely declare my opinion, that our worst suspicions of their conduct have not surpassed the actual and proved facts of the case, and that they have forfeited every claim to indulgence or consideration. Sir William Rumbold having embarked for England, no step can be taken with respect to him. Mr. Lamb, the only remaining European partner, ought, in my judgment, to be immediately ordered to quit Hyderabad and repair to England. Independently of his concern in the house, he has been twice ordered home by the Honourable Court; although the order, through a mistaken consideration, has not been enforced. The Messrs. Palmer not being Europeans, the same course cannot be pursued towards them; but they ought to be informed, that they are no longer to consider themselves under the protection of the British Government, or entitled to its countenance in the remotest degree: and this should be publicly announced to the Minister.

12. I

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12. I accordingly propose, that the Resident be instructed to give effect to the foregoing measures; except in the single case of the explanations which he was desired by our late instructions to call for being entirely satisfactory, an issue which I cannot contemplate as within the pale of possibility.

Fort-William, 30th July 1823. (Signed) J. ADAM.

(Enclosure No. 7. in Bengal Political Letter, dated 31st July 1823.)

MR. FENDALL'S MINUTE.

Mr. Fendall's Minute, 31 July 1823.

From the cursory view which I have been able to take of the accounts furnished to the Resident of Hyderabad by Messrs. William Palmer and Co., it is, I think, quite evident, that at the time the sixty-lac loan was pretended to be negociated by that firm for the special service of his Highness the Nizam's Government, not a single rupee was advanced in cash on the occasion, but that old balances were transferred to the loan account, amounting to fifty-two lacs of rupees, which, together with an addition of eight lacs of rupees, as a compensation for the reduction of interest from twenty-five per cent. to eighteen per cent., formed the ostensible loan in question.

At the time the proposition for negociating this loan was forwarded by the late Resident, it was understood that a sum of money, to the extent of sixty lacs of rupees, was required by the Minister, to relieve him from his pecuniary difficulties, and enable him to carry his pretended scheme of reform, and reduction of unnecessary expenses, into execution; but no mention was then made of either a bonus, or a compensation for the reduction of interest. One great object of the loan certainly was, to reduce the interest, by discharging some old debts on which his Highness's Government was charged an exorbitant rate of interest; but the allowance of about sixteen per cent. was considered as a full and liberal remuneration to the firm, for the trouble and risk they ran in standing forward, as they pretended to do, to assist the Minister in his difficulties, by an advance of cash to the extent of sixty lacs of rupees, and not to make up that sum by a transfer of old debts, and a concealed advantage under the head of bonus or compensation.

The conditions of the loan sanctioned by the British Government, as recommended by the late Resident, have, as far as I am able to judge from the accounts now submitted by Sir C. T. Metcalfe, never been complied with by the firm of Messrs. William Palmer and Co.: on the contrary, they, in concert with the Minister, Rajah Chundoo Loll, practised a gross imposition on the British Government, and entrapped it into a sanction of old loans, the existence of which was carefully concealed by the parties, at the time when the proposition was made by the late Resident.

Had the circumstances now brought to light, by the steady and indefatigable exertions of the present Resident, been fully known, the British Government could not, in justice, have been called upon to interfere in favour of Messrs. William Palmer and Co., for the recovery of any claims founded upon such a gross imposition, but might have left them to recover the amount as they could from the Minister. Considerations for the well-being of his Highness the Nizam's Government, however, induced this Government to take a more liberal view of the subject, and an offer was made to the Minister to advance, on certain conditions, the sum necessary to extricate him from the usurious gripe of the firm, and separate him entirely from all connexion with them. These conditions were cheerfully acceded to by the Minister, and instantly put into execution by the British Government; but it does not appear to me that the Minister is heartily inclined to perform his part of the engagement. I do not learn that he has yet put in train either the mortgage or relinquishment of the peishcush, or the assignment of lands as security for the advances made to him; and I apprehend he still clings to his old connexions for support, instead of placing that just confidence in the good intentions of the present Resident, which the whole of his conduct, since he has been at Hyderabad, fully entitles him to. Throughout the whole of these transactions, the Minister's conduct has been evasive, deceptive, and scandalous.

How far a minute examination of the accounts now furnished by Messrs. William Palmer and Co. would warrant this Government in withholding a further

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Mr. Fendall's Minute, 31 July 1823

further sum than is proposed to cover unwarrantable demands, it is not now, perhaps, necessary to inquire; but I am decidedly of opinion, that the bonus, compensation, or whatever it may now be called, together with the interest accruing thereon, should be rejected *in toto*, and that the allowances granted to Mr. William Palmer, and his family and dependents, with accumulating interest at the rate of twenty-five per cent., should likewise be struck out of the account and disallowed.

Upon a full consideration of the conduct of the members of the firm of Messrs. William Palmer and Co., not only as respects the pecuniary transactions with the Minister, but as respects their attempts to injure the Resident in the opinion of this Government, I am compelled, under all the circumstances which have come out during this most irksome investigation, to declare, that they have no claim whatever to any further countenance or protection of this Government, and that the orders of the Honourable Court of Directors, as respecting Mr. Lamb, should be strictly enforced, and he ordered to leave India forthwith.

Fort-William,
31st July 1823.

(Signed) JOHN FENDALL.

Mr. Harington's Minute, 31 July 1823.

(Enclosure No. 8, in Bengal Political Letter, dated 31st July 1823.)

Mr. HARINGTON'S MINUTE.

I entirely concur in the sentiments expressed by the Governor-General and Mr. Fendall, on the subject of the accounts of Messrs. William Palmer and Co., and the transactions of that firm with the Minister of his Highness the Nizam.

Fort-William,
31st July 1823.

(Signed) J. H. HARINGTON.

Letter from Secretary to Government.

(Enclosure No. 9 in Bengal Political Letter, dated 31st July 1823.)

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Sir:

1. Your despatches of the 12th and 14th instant, with the detailed accounts of Messrs. William Palmer and Co., have been received and submitted to the Honourable the Governor-General in Council.

2. The Governor-General having recorded a Minute on the subject of the accounts forwarded in your despatches above acknowledged, I am directed to transmit to you, for your information, the enclosed copy of that document, which will render unnecessary any detailed observations and instructions on the several points contained in your letters.

3. The examination of these accounts has substantiated, in the clearest manner, the justness of your conclusions regarding the fictitious nature of the loan, and has enabled the Governor-General in Council to decide on those points, which were reserved until such examination should take place.

4. It being now determined to disallow the bonus, with its accumulated interest, and the payments, or rather charges, on account of pensions and salaries to the Palmer family, you will intimate to the house and the Minister, that those two items cannot be recognized as forming a part of the debt which we have undertaken to discharge, and that the British Government will not interest itself, in any manner, for the liquidation of those demands; nor can any payments be allowed, in future, on account of them.

5. It is calculated, that the sum of twenty lacs, reserved by you to cover retrenchments on account of objectionable charges, will be fully sufficient for that purpose, the bonus, with interest, being taken in round numbers at thirteen lacs and a half, and the allowances to the family of Palmer at five lacs; but, of course, it will be necessary, in adjusting the account with a view to its final close, to calculate the exact amount of the two items in question. This resolution, with regard to the allowances as already charged, equally embraces the period for which the members of the Palmer family claim arrears, in your letter of the 12th instant.

6. With respect to the payments to the individual named Nursoo, adverted to by you in the fourth paragraph of your despatch of the 12th instant, no remark is necessary in this place, in addition to what is stated in the minute.

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Letter from Secretary to Government.

You will report, however, any information you may be able to obtain from the Minister, on the subject of those suspicious items.

7. I am directed to draw your attention to that part of the Minute, which refers to the absence of any distinct statement of the admission of these accounts by the Minister, and to request that you will supply that information.

8. The only remaining point to be noticed, is the procedure to be held towards the house, whose flagrant misconduct has now been so fully proved. Conformably to the course prescribed in the Governor-General's Minute, you will be pleased, except in the single case there supposed, formally to announce to Messrs. William Palmer and Co., in writing, that they are no longer to consider themselves under the protection of the British Government, or entitled to its countenance in the remotest degree. You will, at the same time, make a written communication to the Minister, apprizing him that Messrs. William Palmer and Co. have, by the general course of their conduct, and more especially in the fraudulent transactions of the sixty-lac loan, forfeited every claim to the favour and support of the British Government, which has accordingly withdrawn from all interest in their concerns, and that they are no longer in any degree under its protection.

9. Sir William Rumbold having embarked for England, no steps can be taken with respect to him, to mark the displeasure of Government at his conduct, and he must be left to meet the award which will be pronounced by the Authorities at home.

10. Mr. Lamb must be peremptorily required to quit Hyderabad and proceed to Europe. The Governor-General in Council will not, however, object to his being allowed a reasonable term for the adjustment of his affairs.

11. With respect to Messrs. William and Hastings Palmer, the same course cannot be pursued; but although not liable to transmission, the Governor-General in Council will be prepared to insist on their expulsion from the dominions of his Highness the Nizam, should it ever appear that they attempt to renew their usurious dealings with the Minister or other officers of the Government, or engage afresh in intrigues against the British Representative, or in otherwise counteracting the just and salutary measures of this Government, for the improvement of the Nizam's country, and the correction of those abuses in the administration of public affairs, which have been the fertile source of their ill-gotten gains.

I have, &c.

Fort-William,
31st July 1823.

(Signed) G. SWINTON,
Secretary to Government.

(Enclosure No. 10 in Bengal Political Letter of 31st July 1823.)

Table of Christian and Mahomedan Dates.

TABLE *exhibiting the corresponding Christian and Mahomedan Dates, for the first and last Days of every Month, from A.D.* 1811 *to* 1822, *being the period comprised in the Accounts of Messrs. William Palmer and Co.*

1226 HEJIRA.		1811 A. D.	
1st Mohurrum	27th January 1811.	1st January	5th Zeehijj 1225.
29th do.	24th February.	31st do.	5th Mohurrum 1226.
1st Suffer	25th do.	1st February	6th do.
30th do.	26th March.	28th do.	4th Zeehijj.
1st Rubbee ool awul	27th do.	1st March	5th Suffer.
29th do.	24th April.	31st do.	5th Rubbee ool awul.
1st Rubbee oo sanee	25th do.	1st April	6th do.
30th do.	24th May.	30th do.	6th Rubbee oo sanee.
1st Jemadee ool awul	25th do.	1st May	7th do.
29th do.	22d June.	31st do.	7th Jemadee ool awul.
1st Jemadee oo sanee	23d do.	1st June	8th do.
30th do.	22d July.	30th do.	8th Jemadee oo sanee.
1st Rujeb	23d do.	1st July	9th do.
29th do.	20th August.	31st do.	9th Rujeb.
1st Shabaun	21st do.	1st August	10th do.
30th do.	19th September.	31st do.	11th Shabaun.
1st Rumzaun	20th do.	1st September	12th do.
30th do.	19th October.	30th do	11th Rumzaun.
1st Shuwaul	20th do.	1st October	12th do.
29th do.	17th November.	31st do.	12th Shuwaul.
1st Zeekaud	18th do.	1st November	13th do.
30th do.	17th December.	30th do.	13th Zeekaud.
1st Zeehijj	18th do.	1st December	14th do.
29th do.	15th January 1812.	31st do.	14th Zeehijj.

1st Mohurrum

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Table of Christian and Mahomedan Dates.

1227 HEJIRA.		1812 A. D.	
1st Mohurrum	16th January 1812.	1st January	15th Zeehijj 1226.
30th do.	14th February.	31st do.	16th Mohurrum 1227.
1st Suffer	15th do.	1st February	17th do.
29th do.	14th March.	29th do.	15th Suffer.
1st Rubbee ool awul	15th do.	1st March	16th do.
30th do.	13th April.	31st do.	17th Rubbee ool awul.
1st Rubbee oo sanee	14th do.	1st April	18th do.
29th do.	12th May.	30th do.	17th Rubbee oo sanee.
1st Jemadee ool awul	13th do.	1st May	18th do.
29th do.	10th June.	31st do.	19th Jemadee ool awul
1st Jemadee oo sanee	11th do.	1st June	20th do.
30th do.	10th July.	30th do.	20th Jemadee oo sanee.
1st Rujeb	11th do.	1st July	21st do.
30th do.	9th August.	31st do.	21st Rujeb.
1st Shabaun	10th do.	1st August	22d do.
30th do.	8th September.	31st do.	22d Shabaun.
1st Rumzaun	9th do.	1st September	23d do.
29th do.	7th October.	30th do.	22d Rumzaun.
1st Shuwaul	8th do.	1st October	23d do.
30th do.	6th November.	31st do.	24th Shuwaul.
1st Zeekaud	7th do.	1st November	25th do.
29th do.	5th December.	30th do.	24th Zeekaud.
1st Zeehijj	6th do.	1st December	25th do.
29th do.	4th January 1813.	31st do.	26th Zeehijj.

1228 HEJIRA.		1813 A. D.	
1st Mohurrum	5th January 1813.	1st January	27th Zeehijj 1227.
30th do.	3d February.	31st do.	27th Mohurrum 1228.
1st Suffer	4th do.	1st February	28th do.
29th do.	4th March.	28th do.	25th Suffer.
1st Rubbee ool awul	5th do.	1st March	26th do.
29th do.	2d April.	31st do.	27th Rubbee ool awul.
1st Rubbee oo sanee	3d do.	1st April	28th do.
30th do.	2d May.	30th do.	28th Rubbee oo sanee.
1st Jemadee ool awul	3d do.	1st May	29th do.
29th do.	31st do.	31st do.	29th Jemadee ool awul.
1st Jemadee oo sanee	1st June.	1st June	1st Jemadee oo sanee.
29th do.	29th do.	30th do.	1st Rujeb.
1st Rujeb	30th do.	1st July	2d do.
30th do.	29th July.	31st do.	2d Shabaun.
1st Shabaun	30th do.	1st August	3d do.
29th do.	27th August.	31st do.	4th Rumzaun.
1st Rumzaun	28th do.	1st September	5th do.
30th do	26th September.	30th do.	4th Shuwaul.
1st Shuwaul	27th do.	1st October	5th do
29th do.	25th October.	31st do.	6th Zeekaud.
1st Zeekaud	26th do.	1st November	7th do.
30th do.	24th November.	30th do.	6th Zeehijj.
1st Zeehijj	25th do.	1st December	7th do.
30th do.	24th December.	31st do.	7th Mohurrum 1229.

1229 HEJIRA.		1814 A. D.	
1st Mohurrum 1229	25th December 1813.	1st January	8th Mohurrum 1229.
30th do.	23d January 1814.	31st do.	8th Suffer.
1st Suffer	24th do.	1st February	9th do.
29th do.	21st February.	28th do.	7th Rubbee oo sanee.
1st Rubbee ool awul	22d do.	1st March	8th do.
30th do.	23d March.	31st do.	8th Rubbee oo sanee.
1st Rubbee oo sanee	24th do.	1st April	9th do.
29th do.	21st April.	30th do.	9th Jemadee ool awul.
1st Jemadee ool awul	22d do.	1st May	10th do.
30th do.	21st May.	31st do.	10th Jemadee oo sanee.
1st Jemadee oo sanee	22d do.	1st June	11th do.
29th do.	19th June.	30th do.	11th Rujeb.
1st Rujeb	20th do.	1st July	12th do.
29th do.	18th July.	31st do.	13th Shabaun.
1st Shabaun	19th do.	1st August	14th do.
30th do.	17th August.	31st do.	14th Rumzaun.
1st Rumzaun	18th do.	1st September	15th do.
29th do.	15th September.	30th do.	15th Shuwaul.
1st Shuwaul	16th do.	1st October	16th do.
30th do.	15th October.	31st do.	16th Zeekaud.
1st Zeekaud	16th do.	1st November	17th do.
29th do.	13th November.	30th do.	17th Zeehijj.
1st Zeehijj	14th do.	1st December	18th do.
30th do.	13th December.	31st do.	18th Mohurrum 1230.

1st Mohurrum

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Table of Christian and Mahomedan Dates.

1230 HEJIRA.		1815 A. D.	
1st Mohurrum	14th December 1814.	1st January	19th Mohurrum 1230.
30th do.	12th January 1815.	31st do.	19th Suffer.
1st Suffer	13th do.	1st February	20th do.
30th do.	11th February.	28th do.	17th Rubbee ool awul.
1st Rubbee ool awul	12th do.	1st March	18th do.
29th do.	12th March.	31st do.	19th Rubbee oo sanee.
1st Rubbee oo sanee	13th do.	1st April	20th do.
30th do.	11th April.	30th do.	19th Jemadee ool awul.
1st Jemadee ool awul	12th do.	1st May	20th do.
29th do.	10th May.	31st do.	21st Jemadee oo sanee.
1st Jemadee oo sanee	11th do.	1st June	22d do.
30th do.	9th June.	30th do.	21st Rujeb.
1st Rujeb	10th do.	1st July	22d do.
29th do.	8th July.	31st do.	23d Shabaun.
1st Shabaun	9th do.	1st August	24th do.
30th do.	7th August.	31st do.	24th Rumzaun.
1st Rumzaun	8th do.	1st September	25th do.
29th do.	5th September.	30th do.	25th Shuwaul.
1st Shuwaul	6th do.	1st October	26th do.
29th do.	4th October.	31st do.	27th Zeekaud.
1st Zeekaud	5th do.	1st November	28th do.
29th do.	2d November.	30th do.	28th Zeehijj.
1st Zeehijj	3d do.	1st December	29th do.
30th do.	2d December.	31st do.	29th Mohurrum 1231.

1231 HEJIRA.		1816 A. D.	
1st Mohurrum	3d December 1815.	1st January	30th Mohurrum 1231.
30th do.	1st January 1816.	31st do.	30th Suffer.
1st Suffer	2d do.	1st February	1st Rubbee ool awul.
30th do.	31st do.	29th do.	29th do.
1st Rubbee ool awul	1st February.	1st March	1st Rubbee oo sanee.
29th do.	29th do.	31st do.	1st Jemadee ool awul.
1st Rubbee oo sanee	1st March.	1st April	2d do.
30th do.	30th do.	30th do.	1st Jemadee oo sanee.
1st Jemadee ool awul	31st do.	1st May	2d do.
30th do.	29th April.	31st do.	3d Rujeb.
1st Jemadee oo sanee	30th do.	1st June	4th do.
29th do.	28th May.	30th do.	3d Shabaun.
1st Rujeb	29th do.	1st July	4th do.
30th do.	27th June.	31st do.	5th Rumzaun.
1st Shabaun	28th do.	1st August	6th do.
29th do.	26th July.	31st do.	7th Shuwaul.
1st Rumzaun	27th do.	1st September	8th do.
29th do.	24th August.	30th do.	8th Zeekaud.
1st Shuwaul	25th do.	1st October	9th do.
29th do.	22d September.	31st do.	9th Zeehijj.
1st Zeekaud	23d do.	1st November	10th do.
30th do.	22d October.	30th do.	9th Mohurrum 1232.
1st Zeehijj	23d do.	1st December	10th do.
30th do.	21st November.	31st do.	11th Suffer.

1232 HEJIRA.		1817 A. D.	
1st Mohurrum	22d November 1816.	1st January	12th Suffer 1232.
29th do.	20th December.	31st do.	12th Rubbee ool awul.
1st Suffer	21st do.	1st February	13th do.
30th do.	19th January 1817.	28th do.	11th Rubbee oo sanee.
1st Rubbee ool awul	20th do.	1st March	12th do.
29th do.	17th February.	31st do.	12th Jemadee ool awul.
1st Rubbee oo sanee	18th do.	1st April	13th do.
30th do.	19th March.	30th do.	12th Jemadee oo sanee.
1st Jemadee ool awul	20th do.	1st May	13th do.
30th do.	18th April.	31st do.	13th Rujeb.
1st Jemadee oo sanee	19th do.	1st June	14th do.
30th do.	18th May.	30th do.	14th Shabaun.
1st Rujeb	19th do.	1st July	15th do.
29th do.	16th June.	31st do.	16th Rumzaun.
1st Shabaun	17th do.	1st August	17th do.
29th do.	15th July.	31st do.	17th Shabaun.
1st Rumzaun	16th do.	1st September	18th do.
30th do.	14th August.	30th do.	18th Zeekaud.
1st Shuwaul	15th do.	1st October	19th do.
29th do.	12th September.	31st do.	19th Zeehijj.
1st Zeekaud	13th do.	1st November	20th do.
30th do.	12th October.	30th do.	20th Mohurrum 1233.
1st Zeehijj	13th do.	1st December	21st do.
29th do.	10th November	31st do.	21st Suffer.

1st Mohurrum

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Table of Christian and Mahomedan Dates.

1233 HEJIRA.		1818 A. D.	
1st Mohurrum.....	11th November 1817.	1st January	22d Suffer 1233.
30th do.....	10th December.	31st do.....	23d Rubbee ool awul.
1st Suffer.....	11th do.	1st February	24th do.
29th do.....	8th January 1818.	28th do.....	21st Rubbee oo sanee.
1st Rubbee ool awul ..	9th do.	1st March	22d do.
30th do.....	7th February.	31st do.....	23d Jemadee ool awul.
1st Rubbee oo sanee ..	8th do.	1st April	24th do.
29th do.....	8th March.	30th do.....	23d Jemadee oo sanee.
1st Jemadee ool awul ..	9th do.	1st May	24th do.
30th do.....	7th April.	31st do.....	25th Rujeb.
1st Jemadee oo sanee..	8th do.	1st June	26th do.
29th do.....	6th May.	30th do	25th Shabaun.
1st Rujeb	7th do.	1st July	26th do.
30th do.....	5th June.	31st do.....	26th Rumzaun.
1st Shabaun	6th do.	1st August	27th do.
30th do.....	5th July.	31st do.....	28th Shuwaul.
1st Rumzaun	6th do.	1st September....	29th do.
29th do.....	3d August.	30th do.....	28th Zeekaud.
1st Shuwaul	4th do.	1st October.....	29th do.
30th do.....	2d September.	31st do.....	29th Zeehijj.
1st Zeekaud	3d do.	1st November....	1st Mohurrum 1234.
30th do.....	2d October.	30th do.....	1st Suffer.
1st Zeehijj	3d do.	1st December....	2d do.
29th do.....	31st do.	31st do.....	2d Rubbee ool awul.

1234 HEJIRA.		1819 A. D.	
1st Mohurrum.....	1st Nov. 1818.	1st January	3d Rubbee ool awul, 1234.
29th do.....	29th do.	31st do.....	4th Rubbee oo sanee.
1st Suffer.....	30th do.	1st February.....	5th do.
30th do.....	29th December.	28th do	2d Jemadee ool awul.
1st Rubbee ool awul.....	30th do.	1st March.....	3d do.
29th do.....	27th January 1819.	31st do.....	4th Jemadee oo sanee.
1st Rubbee oo sanee.....	28th do.	1st April	5th do.
30th do.....	26th February	30th do.....	4th Rujeb.
1st Jemadee ool awul....	27th do.	1st May.....	5th do.
29th do.....	27th March	31st do.....	6th Shabaun.
1st Jemadee oo sanee....	28th do.	1st June.....	7th do.
30th do.....	26th April.	30th do.....	6th Rumzaun.
1st Rujeb.....	27th do.	1st July.....	7th do.
29th do.....	25th May	31st do.....	8th Shuwaul.
1st Shabaun.....	26th do.	1st August.....	9th do.
30th do.....	24th June.	31st do.....	9th Zeekaud.
1st Rumzaun.....	25th do.	1st September....	10th do.
29th do.....	23d July.	30th do.....	9th Zeehijj.
1st Shuwaul.....	24th do.	1st October.....	10th do.
30th do.....	22d August	31st do.....	10th Mohurrum, 1235.
1st Zeekaud.....	23d do	1st November....	11th do.
30th do.....	21st September.	30th do.....	11th Suffer.
1st Zeehijj.....	22d do.	1st December....	12th do.
30th do.....	21st October.	31st do.....	13th Rubbee ool awul.

1235 HEJIRA.		1820 A. D.	
1st Mohurrum	22d October 1819.	1st January.....	14th Rubbee ool awul 1235.
29th do.....	19th November.	31st do.....	14th Rubbee oo sanee.
1st Suffer.....	20th do.	1st February.....	15th do.
29th do	18th December.	29th do.....	14th Jemadee ool awul.
1st Rubbee ool awul.....	19th do.	1st March, ...	15th do.
30th do	17th January 1820.	31st do.....	15th Jemadee oo sanee.
1st Rubbee oo sanee.....	18th do.	1st April	16th do.
29th do.....	15th February	30th do	16th Rujeb.
1st Jemadee ool awul...	16th do.	1st May.....	17th do.
30th do.....	16th March	31st do.....	18th Shabaun.
1st Jemadee oo sanee....	17th do.	1st June.....	19th do.
29th do.....	14th April.	30th do.....	18th Rumzaun.
1st Rujeb.....	15th do.	1st July.....	19th do
29th do.....	13th May.	31st do.....	19th Shuwaul.
1st Shabaun.....	14th do.	1st August.....	20th do.
30th do.....	12th June.	31st do.....	21st Zeekaud.
1st Rumzaun.....	13th do.	1st September....	22d do.
30th do.....	12th July	30th do.....	21st Zeehijj.
1st Shuwaul.....	13th do.	1st October.....	22d do.
29th do.....	10th August.	31st do.....	22d Mohurrum, 1236.
1st Zeekaud.....	11th do.	1st November....	23d do.
30th do.....	9th September.	30th do.....	23d Suffer.
1st Zeehijj.....	10th do.	1st December....	24th do.
30th do.....	9th October.	31st do.....	24th Rubbee ool awul.

1st Mohurrum

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Table of Christian and Mahomedan Dates.

1236 HEJIRA.		1821 A. D.	
1st Mohurrum	10th October 1820.	1st January	25th Rubbee ool awul 1236.
29th do	7th November.	31st do	26th Rubbee oo sanee.
1st Suffer	8th do.	1st February	27th do.
30th do	7th December.	28th do	24th Jemadee ool awul.
1st Rubbee ool awul	8th do.	1st March	25th do.
29th do	5th January 1821.	31st do	26th Jemadee oo sanee.
1st Rubbee oo sanee	6th do.	1st April	27th do.
30th do	4th February.	30th do	26th Rujeb.
1st Jemadee ool awul	5th do.	1st May	27th do.
29th do	5th March.	31st do	28th Shabaun.
1st Jemadee oo sanee	6th do.	1st June	29th do.
30th do	4th April.	30th do	29th Rumzaun.
1st Rujeb	5th do.	1st July	30th do.
29th do	3d May.	31st do	30th Shuwaul.
1st Shabaun	4th do.	1st August	1st Zeekaud.
29th do	1st June.	31st do	2d Zeehijj.
1st Rumzaun	2d do.	1st September	3d do.
30th do	1st July.	30th do	2d Mohurrum 1237.
1st Shuwaul	2d do.	1st October	3d do.
30th do	31st do.	31st do	3d Suffer.
1st Zeekaud	1st August.	1st November	4th do.
29th do	29th do.	30th do	5th Rubbee ool awul.
1st Zeehijj	30th do.	1st December	6th do.
30th do	28th September.	31st do	5th Rubbee oo sanee.

1237 HEJIRA.		1822 A. D.	
1st Mohurrum	29th Sept. 1821.	1st January	6th Rubbee oo sanee 1237.
30th do	28th October.	31st do	7th Jemadee ool awul.
1st Suffer	29th do.	1st February	8th do.
29th do	26th November.	28th do	5th Jemadee oo sanee.
1st Rubbee ool awul	27th do.	1st March	6th do.
30th do	26th December.	31st do	7th Rujeb.
1st Rubbee oo sanee	27th do.	1st April	8th do.
29th do	24th January 1822.	30th do	8th Shabaun.
1st Jemadee ool awul	25th do.	1st May	9th do.
30th do	23d February.	31st do	9th Rumzaun.
1st Jemadee oo sanee	24th do.	1st June	10th do.
29th do	24th March.	30th do	10th Shuwaul.
1st Rujeb	25th do.	1st July	11th do.
29th do	22d April.	31st do	11th Zeekaud.
1st Shabaun	23d do.	1st August	12th do.
30th do	22d May.	31st do	13th Zeehijj.
1st Rumzaun	23d do.	1st September	14th do.
29th do	20th June.	30th do	13th Mohurrum 1238.
1st Shuwaul	21st do.	1st October	14th do.
30th do	20th July.	31st do	14th Suffer.
1st Zeekaud	21st do.	1st November	15th do.
29th do	18th August.	30th do	15th Rubbee ool awul.
1st Zeehijj	19th do.	1st December	16th do.
30th do	17th September.	31st do	16th Rubbee oo sanee.

1238 HEJIRA.		1823 A. D.	
1st Mohurrum	18th Sept. 1822.	1st January	17th Rubbee oo sanee 1238.
30th do	18th October.	31st do	18th Jemadee ool awul.
1st Suffer	19th do.	1st February	19th do.
29th do	15th November.	28th do	16th Jemadee oo sanee.
1st Rubbee ool awul	16th do.	1st March	17th do.
30th do	15th December.	31st do	17th Rujeb.
1st Rubbee oo sanee	16th do.	1st April	18th do.
29th do	13th January 1823.	30th do	18th Shuwaul.
1st Jemadee ool awul	14th do	1st May	19th do.
30th do	12th February.	31st do	19th Rumzaun.
1st Jemadee oo sanee	13th do.	1st June	20th do.
30th do	14th March.	30th do	20th Shuwaul.
1st Rujeb	15th do.	1st July	21st do.
29th do	12th April.	31st do	21st Zeekaud.
1st Shabaun	13th do.	1st August	22d do.
30th do	12th May.	31st do	
1st Rumzaun	13th do.		
29th do	10th June.		
1st Shuwaul	11th do.		
30th do	10th July.		
1st Zeekaud	11th do.		

POLITICAL LETTER *from* BENGAL, *Dated 9th August* 1823.

Bengal Political Letter, 9 Aug. 1823.

1. We have the honour to transmit an original memorial to your Honourable Court from Mr. Hans Sotheby, formerly First Assistant to the Resident at Hyderabad, and lately removed from the situation of Agent to the Governor-General at Moorshedabad.

2. The merits of Mr. Sotheby's case, in connexion with the transactions at Hyderabad, are already so fully before your Honourable Court, as to render any comments on Mr. Sotheby's Memorial quite unnecessary.

3. Mr. Sotheby, since his letter to the Secretary in this department, under date the 18th April last, has taken an additional ground of defence, in asserting that the circumstances of his connexion with the house of William Palmer and Co. were fully known to the late Governor-General, at the time of his Lordship's receiving the affidavit from Sir William Rumbold, and that the draft of that document (or as it is stated in the Memorial, "the draft of a proposed "affidavit,") had been submitted by Sir William Rumbold to Sir Charles Metcalfe.

4. On the first of these points, your Honourable Court will have the means of satisfying yourselves, if you should deem it expedient to follow up the inquiry. With regard to the latter, we consider the statement in Sir Charles Metcalfe's letter of the 26th June to be entirely satisfactory.

5. Mr. Adam and Mr. Fendall having recorded separate Minutes on this occasion, we have the honour to submit copies as numbers in the packet.

We have, &c.

Fort-William,
9th August 1823.

(Signed) AMHERST,
J. ADAM,
JOHN FENDALL.

(Enclosure No. 1.)

Mr. Sotheby's Memorial.

To the Honourable Chairman, the Deputy Chairman, and the other Members of the Court of Directors for the Affairs of the United Company of Merchants trading to the East-Indies.

The MEMORIAL of Hans Sotheby, late First Assistant at the Residency of Hyderabad, and subsequently Agent to the Governor-General at Moorshedabad.

Sheweth:

1. That your Memorialist having arrived at Calcutta on his appointment, as a Writer on the Bengal Establishment, in the year 1808, was, after having passed through various subordinate situations, in the month of June 1812 appointed by the Government of Bengal to the situation of Second Assistant at the Political Residency of Nagpore, and subsequently to that of Second Assistant at Hyderabad, at which latter place your Memorialist arrived in the commencement of the year 1813.

2. That your Memorialist continued to fill such appointment of Second Assistant, and that of First Assistant, to which he was subsequently, in the end of the year 1817, promoted, from the year 1813 to the year 1822, under Mr. Henry Russell and Sir Charles Metcalfe, Bart., the successive Residents at Hyderabad, during such period, and in such situations always conducted himself with zeal and fidelity towards the Government, and received the frequent approbation, both public and private, of his immediate superiors.

3. That at the time of your Memorialist's arrival at Hyderabad in the year 1813, he was a young man of the age of about *five-and-twenty*, much involved (in common with all young men in their early career as Writers in Calcutta, having nothing besides their pay and allowances) in difficulties of a pecuniary nature, which after a residence of nearly two years at Hyderabad your Memorialist found himself wholly unable, with every possible attention and economy,

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economy, to reduce, out of the salary and allowances, amounting to six hundred rupees per month, which he then received.

4. That your Memorialist having, in the course of such two years, formed an intimate acquaintance and friendship with Mr. William Palmer, then and still a banker and merchant at Hyderabad, was induced to communicate to him the nature and extent of the difficulties under which your Memorialist laboured, and communicated to him the wish your Memorialist had formed of raising a sum of money to pay off those debts which he had contracted during his residence in Calcutta, and requested the assistance of Mr. William Palmer, as a member of a mercantile concern, to assist him in effecting the object he had in view, but without the most distant idea, at that time, that his communication would be met by the proposal which was subsequently made to him by Mr. William Palmer.

5. That Mr. William Palmer proposed to your Memorialist, that in lieu of sending the money which he intended to raise to Calcutta, your Memorialist should lodge the sum in his (Mr. Palmer's) house of business at Hyderabad, and that he would allow to your Memorialist whatever it might produce, by being employed as part of the capital in the firm; from which your Memorialist would be enabled gradually to pay off his debts in Calcutta, and ultimately to relieve himself, at a more early period, from all pecuniary embarrassment.

6. That your Memorialist, without duly weighing the nature of the connexion he was about to form, and alive only at the moment to the fulfilment of the object which the proposed plan held out to him, and which he so anxiously desired, of emancipating himself from his pecuniary embarrassments, availed himself of the offer made by Mr. William Palmer and agreed to accept his proposal.

7. That the above arrangements were made and carried into effect towards the close of the year 1814, and in the year 1815 Sir William Rumbold arrived at Hyderabad, and entered into partnership with Mr. William Palmer and others, as bankers and merchants, under the firm of Messrs. William Palmer and Co. Upon the formation of which new partnership it was agreed, that your Memorialist, who had borrowed a sum of money for the purpose from Dr. Currie, late of the Honourable Company's Medical Service on the Madras Establishment, should continue to hold and enjoy the benefits of a share, in proportion to the amount of the sum he had lodged in the house, but without having any knowledge, privity, or concern, in the arrangement of the business.

8. That at the time of your Memorialist entering to this extent into partnership with Mr. William Palmer and Sir William Rumbold, he was Second Assistant at the said Residency under Mr. Russell: that he was no public functionary at the head of any department of Government, but a mere subordinate servant: that he had neither power or opportunity of serving the partnership concern in any way whatever. He had, at that time, no prospect of any promotion, which would enable him to do more: nor, in fact, did such event occur during his continuance in the said partnership, as hereinafter detailed; for although your Memorialist was promoted, in the year 1817, to the situation of First Assistant at the said Residency of Hyderabad, Mr. Russell, who still continued the Resident, transacted the whole political business of the Residency with the court of the Nizam, so that your Memorialist neither had, nor at the time of the commencement of his connexion with Mr. William Palmer or with Sir William Rumbold, was expected to have power, influence, or patronage, by which he might have assisted and forwarded the views of the house. The proposal originated in the private and personal friendship of Mr. Palmer, who was only desirous of stipulating, on one hand, that he should not suffer any possible loss which might accrue, and on the other, was desirous that the advantage which the business might derive from the extension of its capital in the sum advanced by your Memorialist, should be enjoyed by him. The same motives of friendship dictated the continuance of the arrangement on the formation of the partnership with Sir William Rumbold. By your Memorialist the proffered kindness was incautiously and inconsiderately accepted, as a means of doing justice to his creditors, and for relieving himself from embarrassments, which prudence and economy were insufficient, in a place notoriously one of the dearest

dearest and most expensive in India, to enable him to overcome. And if your Memorialist, at an early period of life, without due consideration, and under temptations of this nature, without the possibility of serving his friends, and equally incapable of injuring or compromising the interests of the East-India Company, was led into a deviation from the rules of the service, he trusts your Honourable Court will be of opinion, that though culpable in having so done, he has not been guilty of a violation of any moral duty; and that his subsequent conduct, as hereinafter detailed, affords some extenuation of his error in the first instance.

9. That your Memorialist continued, to the extent he has described, a partner in the house of Messrs. William Palmer and Co. (different partners being admitted and retiring from the concern at various times) until the middle of the year 1819. During this period, your Memorialist never did, or had any right to intermeddle with the affairs of the house, beyond receiving the amount of his share. He was in no degree, except in the most general manner possible, acquainted even with the mode of realizing the profits they derived in their business. As bankers, your Memorialist knew they lent money to individuals, but of the general nature of their business he was but partially informed. His confidence in those who composed the active and real partners in the concern was such, that no anxiety could be created as to their conduct, and therefore had he even considered himself entitled so far to interfere in the concern, no inquiries would have been instituted by him. Originally admitted to a share from motives of friendship, and his ability to take such share actually created by Dr. Currie (who was during part of the period one of the partners in the house), your Memorialist satisfied himself by the mere receipt of what became due to him, as informed at stated periods of its account, according to the ordinary mode of adjusting the accounts: but even in that adjustment your Memorialist in no degree interfered, nor would the partners who conducted the business have considered he had authority so to do.

10. In the manner above detailed, your Memorialist continued to derive a profit from the business of Messrs. William Palmer and Co. as a partner (if the circumstances under which he held his share are to be considered as constituting him one) until the year 1819. In the month of June in that year, your Memorialist obtained leave of absence from his station for four months, which was subsequently extended to the month of December. On his return to Hyderabad, on or about the 15th December, your Memorialist heard, for the first time, that the firm of Messrs. William Palmer and Co. were about to enter into a loan of very considerable extent with the Nizam's Government, and to enable them to do so, that they intended to concentrate all their funds, and to refrain from all further loans to private individuals. During his previous absence from Hyderabad, your Memorialist had reflected with serious attention upon his connexion with Messrs. William Palmer and Co., and more than doubts of the propriety of his conduct in forming that connexion had presented themselves to his own mind. Confined to one station, and to the same circle of friends, from the first moment of his inconsiderate acceptance of the proffered friendship of Mr. Palmer to the time of his obtaining leave of absence in June 1819, few events were likely to happen, and none had actually occurred during that period, to excite your Memorialist's attention to the impropriety of the situation in which he had placed himself: and your Memorialist must here state, in justice to himself, that at no period, either anterior to or during the existence of his connexion with Messrs. William Palmer and Co., had he been called upon to take, or had taken the oath now administered to the Honourable Company's servants in the Political Department, against their being concerned in trade. A new society and greater leisure for thought, with a mind no longer distracted from any deep consideration of his own private affairs, had tended in his residence at Poonah and Bombay, during his leave of absence, to open new views of his conduct to your Memorialist, and his mature judgment had already condemned in his own mind the measure which, in earlier life, he had been induced, under the pressure of his debts, without due consideration to adopt.

11. With these impressions your Memorialist returned to Hyderabad, and the intelligence which he then received of the projected loan, inasmuch as it drew the house of Messrs. William Palmer and Co. into more immediate connexion with

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the Government of the Nizam, determined your Memorialist to lose no time in carrying into effect the previous determination he had formed, of withdrawing himself wholly from all participation in the profits of that house, and in closing every thing approaching to a partnership in the firm.

12. Your Memorialist's intention immediately to return, and the grounds upon which he had thought it his duty to come to such a determination, were communicated, before the expiration of the month of December, to the members of the firm. From the same motives of private regard which had originally actuated his conduct, and from the continued friendship existing between your Memorialist and Mr. William Palmer and Sir William Rumbold, it was proposed to your Memorialist by those gentlemen, that your Memorialist should resign his official situation as First Assistant to the Resident at Hyderabad, and become an active and ostensible partner in the house of Messrs. William Palmer and Co. Advantages of a great and captivating nature were held out to him by Mr. Palmer, to induce your Memorialist's acceptance of this proposal; but attached to the service of the Honourable Company, in which he had from an early period been actively employed, your Memorialist, who had never been engaged in the slightest degree in the management of mercantile concerns, preferred, as most congenial to his own talents and disposition, devoting himself to the service in which he had commenced his career, and it was determined that your Memorialist should cease to be a participator in the profits of the business of William Palmer and Co., and that all his connexion as a partner in that house should be closed on the 16th of February 1820, on which day the current mercantile half year of the house terminated.

13. From the 16th of February 1820, your Memorialist ceased to have any connexion with the house of William Palmer and Co., except that they still continued to act as his private bankers, on precisely the same terms (and no other) as those on which they acted towards all their constituents: but previous to that period the members of the firm, from a just sense of justice towards your Memorialist, offered him a sum of money, as a proper equivalent for that share in the business which your Memorialist had determined to relinquish. No equivalent had ever been demanded or required by your Memorialist; but as the sum offered was not more than the just value of the share your Memorialist voluntarily resigned, your Memorialist was induced to accept it, not as a right demanded on the one hand, nor as a mere gift without foundation on the other, but as a gratuity arising from the liberal justice of Messrs. William Palmer and Co., for that which, in fairness, might be considered as his due, though not insisted on by him.

14. In the month of April 1821, your Memorialist, being then First Assistant under Sir Charles Metcalfe, who had been appointed the Resident at Hyderabad to succeed Mr. Henry Russell, was left in charge of the Residency, in consequence of the temporary absence of Mr. Metcalfe. Previous to his departure from Hyderabad, the house of Messrs. William Palmer and Co. had been called upon by the late Governor-General the Marquis of Hastings to make an affidavit, through some of their members, respecting a connexion supposed to have existed between Mr. Henry Russell, the then late Resident, and the house of Messrs. William Palmer and Co. at Hyderabad, for the purpose of exculpating Mr. Russell from the charge of such connexion; and (as your Memorialist has subsequently been informed) the draft of a proposed affidavit on that subject had been submitted by Sir William Rumbold, one of the said partners, to Sir Charles Metcalfe, as Resident, previous to his departure.

15. That Sir William Rumbold and the rest of the partners of the house of William Palmer and Co. being anxious (as your Memorialist has also subsequently been informed) not to reveal unnecessarily the connexion which your Petitioner had had with their house, and from which he had withdrawn on the conviction of the impropriety thereof, and considering that the purpose for which the affidavit was required was solely that of exculpating Mr. Russell, did certainly prepare the affidavit in such terms as to exculpate Mr. Russell, and yet to avoid using any terms relating to your Memorialist. That such affidavit was prepared without any communication with your Memorialist. The language of the affidavit was entirely that of the persons who were called upon to make it.

Your

Your Memorialist had no concern whatever in framing the affidavit, either in form or substance, nor was it, or any draft of it, in any manner whatsoever communicated to your Memorialist, before the original was produced and sworn by Sir William Rumbold and Mr. William Palmer, before your Memorialist, then acting in the absence of Mr. Metcalfe in the discharge of the duties of the Resident; and, in fact, until so sworn, your Memorialist was ignorant that any affidavit was required or was in contemplation. That the circumstance of the affidavit being sworn before your Memorialist was in no degree preconcerted, or a matter of connivance between the partners of the house of William Palmer and Co. and your Memorialist, but was purely accidental, arising from the circumstance of your Memorialist being left, for a period of nearly eight months, to perform the duties of the Residency, owing to the absence of Mr. Metcalfe on other business of importance, and also from the circumstance of a further requisition for the desired affidavit being made during that interval by Lord Hastings, for whose private satisfaction, and on whose private application, the affidavit was prepared and sworn. That your Memorialist took the affidavit in the ordinary and accustomed manner; and Sir William Rumbold and Mr. William Palmer having produced it, and sworn in the usual form to the truth of its contents, your Memorialist signed it merely as the person before whom it was sworn, without in any manner attesting, or meaning to attest, the truth of its contents; although your Memorialist is prepared, being now well acquainted with them, to shew that the matters contained in such affidavit (a copy of which marked with the letter A accompanies this memorial), not only are strictly true, but fully answer the purpose for which alone such affidavit was required by Lord Hastings; although such affidavit certainly appears to be so framed as to avoid the implication of your Memorialist, as your Memorialist submits it might with justice and propriety, his conduct not being at that time under investigation.

16. That your Memorialist continued as First Assistant at Hyderabad under Sir Charles Metcalfe as Resident, until the month of August 1822, when, in consequence of having obtained leave of absence from the Supreme Government, he arrived in Calcutta in the month of September in the same year. That your Memorialist, whilst Sir Charles Metcalfe was Resident at Hyderabad, was at different periods placed in charge of the duties of the Residency, in consequence of the absence of Sir Charles Metcalfe on other business of importance. That for eight months previous to November 1821, your Memorialist was so left in charge of the Residency; and that on the return of Sir Charles Metcalfe he addressed himself to the Supreme Government at Calcutta in a public despatch, under date of the 7th November 1821, in the following terms respecting your Memorialist.

"12th. The local business of Hyderabad has been managed during my absence "by the First and Second Assistants, Mr. Sotheby and Lieutenant H. L. Barnett."

"My intercourse with the Court has been conducted through Mr. Sotheby, "with great ability on his part and entirely to my satisfaction: in addition to "which, he has had charge of the Persian office, and the correspondence with "the Military Authorities at Sekunderabad on local matters. He has latterly, I "am sorry to say, been incapacitated by severe illness from attendance to his "official duties. It is due to Mr. Sotheby to add, that I have received "zealous and efficient assistance from him, whenever I have had occasion to "employ his services, which I have frequently done in communication with the "Court, as well before as since my departure from Hyderabad."

17. That in a subsequent despatch, under date the 20th day of June 1822, Mr. Metcalfe again addressed himself to the Supreme Government at Calcutta in the following terms respecting your Memorialist.

"29th. Mr. Sotheby's office has always required his presence at the Residency, "where he has discharged the local duties which have devolved on him with his "usual ability and judgment, and with the most ready attention to my wishes "and instructions. He has also had his share in promoting the improvement of "the country, by receiving the numerous petitioners who flock to the Residency, "and bringing to the notice of the Nizam's Government such cases as need it."

18. That

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18. That after having resided in Calcutta for about four months, your Memorialist was appointed, on the 29th of December 1822, by the late Governor-General in Council, the Marquis of Hastings, to the situation of Agent to the Governor-General at Moorshedabad, and soon after proceeded to that place, and took upon himself the duties of his appointment there on the 7th of February 1823.

19. That at the time of the appointment of your Memorialist at Moorshedabad, the Marquis of Hastings was fully aware of the share your Memorialist had held, and of all the circumstances under which it had been so held, in the house of Messrs. William Palmer and Co. That the Marquis of Hastings was aware of the time in which your Memorialist was connected with the house. That the affidavit of Sir William Rumbold and Mr. William Palmer had been sent originally as a private document to the Marquis of Hastings, who was therefore also perfectly aware that it had been sworn before your Memorialist, and must also have been minutely informed of the contents of the affidavit; and that from private conversations with, and letters from Lord Hastings, now in the possession of your Memorialist (of which, as private documents, your Memorialist has not thought himself justified in making further use), your Memorialist is warranted in saying, that Lord Hastings was informed of every circumstance relating to the connexion of your Memorialist with the house of Messrs. William Palmer and Co. at Hyderabad.

20. That early in the month of April 1823, your Memorialist being then resident as Agent to the Governor-General at Moorshedabad, received the letter, under date the 29th March 1823, from the Secretary to the Government in the Political Department, of which the accompanying paper, marked B, is a true copy, requiring your Memorialist's answers to the several points mentioned in that letter.

21. That your Memorialist, much as he might thereby be criminated, still made a full and distinct answer to all those points in his reply to such letter, under date the 18th of April 1823, a true copy whereof, marked with the letter C, also accompanies this Memorial. That your Memorialist, in replying to the letter of the Secretary of Government, under date 29th March 1823, did not overlook that ground of defence which he thinks he might with justice have advanced, namely, that the Marquis of Hastings having been fully aware of your Memorialist's former and only deviation from the rules of the Honourable Company's service, of the circumstances under which he voluntarily retired from the house of Messrs. William Palmer and Co., before the circumstance of his forming a connexion with them had in any degree come to light; that the very affidavit which is made the principal ground of accusation against your Memorialist having been in the first instance submitted to Lord Hastings, before it came to the hands of Government; and that your Memorialist having been subsequently appointed by Lord Hastings, as Governor-General in Council, to the situation he then held, the circumstance of such appointment amounts to a virtual pardon of your Memorialist's former conduct, by that tribunal which was fully competent to judge of the offence committed. Upon every principle of British law, upon every principle of justice, if justice is to be tempered with mercy, your Memorialist had a right to contend, that having satisfied the mind of Lord Hastings with respect to his prior conduct and the sincerity of his repentance, and of his voluntary secession from the concern with which he had been connected before any accusation was preferred, that having been subsequently promoted, he ought not to have been called on a second time to account for conduct which he could not defend, but for which he had been pardoned. But the orders of the present Government gave your Memorialist no further option than to answer the questions put to him, or to abide by the consequences of any further course. Your Memorialist determined on the former, conscious that he had done all in his power to retrace his steps, and relying on the lenity of Government towards one who had not only repented and departed from his error, but who was compelled to be his own accuser by the terms imposed upon him.

22. That your Memorialist, in the same month of April, received a letter from the Secretary of Government, under date the 24th April 1823, informing him that he was removed from the office of Agent to the Governor-General at Moorshedabad,

shedabad, and from further employment, pending a reference to your Honourable Court, and enclosing a copy of the resolution, under the same date, passed by the Governor-General in Council, under which your Memorialist was removed. True copies of which letter and resolution, marked respectively with the letters D and E, also accompany this Memorial.

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23. That however anxious your Memorialist must be to avert the consequences of a confirmation of the suspension of your Memorialist, his anxiety on that point bears no comparison with that which he feels to wipe away the stain upon his character and conduct which that resolution is calculated to affix; and your Memorialist, therefore, entreats your Honourable Court to take into their serious consideration, the observations upon that document, and the contradictions to the statements contained therein, which your Memorialist, in addition to what he has before stated, thinks it an imperious duty which he owes to himself to advance in his defence.

24. Your Memorialist cannot but observe, that the letter of your Memorialist, which formed the ground-work of the observations contained in the resolution, is in that most unfairly perverted, to the injury of your Memorialist: whilst every word and sentence which militates against his case is sedulously selected and prominently put forward, those parts which either negative the charge against him or palliate his conduct, are either wholly omitted or but slightly adverted to.

25. That at the time your Memorialist entered into the partnership, which has been stated, with Messrs. William Palmer and Co., your Memorialist knew no more of their concerns, than that they were bankers and merchants; and that the terms under which he became connected with them gave him no opportunities of further knowledge, than what was possessed by every individual in Hyderabad. Of the particulars of their connexions in money transactions with Native Princes, their ministers or agents, your Memorialist had but a slight and vague knowledge. Your Memorialist also does not pretend to say, that he was ignorant of the existence of the Aurungabad concern, or of the application which had been made for a license; but confiding in the honour and integrity of those with whom he was connected, your Memorialist did not give these points the attention they required. Had your Memorialist reflected on them at all, he may be allowed to presume that he would have acted then, as he did at a later period, when his attention was awakened to the situation in which his wish of emancipating himself from debt had placed him. No desire for, or knowledge that he could obtain, by any thing arising out of his connexion with William Palmer and Co., influence with Native Princes, was contemplated by your Memorialist when the arrangement was first made. No such influence was ever obtained; and on the first suggestion of circumstances being likely to arise, which would connect "the commercial firm in which he drew a share of the profit in pecuniary dealings with a Native Prince, at whose Court he was residing in an official though subordinate character," your Memorialist withdrew from all connexion in business from that firm. Had fear dictated the conduct of your Memorialist (as the resolution would insinuate), prudence would have led him to adopt the safer course of resigning the Company's service, for the offer to become openly a partner in the house. No obstacles have ever been thrown in the way of Civilians resigning the service and entering into any private mercantile concern. Your Memorialist had no reason to apprehend, that the permission which others had uniformly obtained would have been withheld from him; and by the acceptance of Mr. William Palmer's offer, all impending or future danger (if that had been the motive for retiring) would have been avoided, whilst wealth would have been secured. To the supposition that the gratuity was *held out to him* as an *inducement* for him to retire, and one of the *motives* of his conduct, your Memorialist replies, that had the object of his forming the connexion been such as is imputed to him, such as is supposed to have actuated the house of Messrs. William Palmer and Co., namely, the increase of his influence on his part, and the assistance of his consequence and station on theirs, the conduct of both parties would have been at complete variance, not only with their interests, but with common sense. The moment when your Memorialist (if ever by such means) would have been best able to increase his own influence, would have been that, in which the Government of the Nizam were negociating with your Memo-

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rialist's partners for an extensive loan. The moment when the official consequence of your Memorialist (if he possessed any) would have been of most importance, would be when they were under heavy advances to the Native Government, the repayment of which they had no power to compel. Would that moment have been seized by your Memorialist to abandon the immense pecuniary advantages which the loan held out to him, in addition to the influence he is supposed to have been seeking, unless his repentance of his error had been sincere, his determination to correct his future conduct fixed, and his devotion to the service in which he had commenced his career considerable. Is it also to be supposed, that Messrs. William Palmer and Co. would have offered an inducement to that man to retire, who is supposed to have possessed the greatest means of assisting them, at the very period when his services would be of the most material importance? Your Memorialist submits, that every circumstance which occurred, and the occasion upon which your Memorialist's retraction was carried into effect, afford the most satisfactory proof of the sincerity of your Memorialist's regret for his error, and his earnest desire to repair it.

26. It has been alleged, that your Memorialist was aware of the discussions which had previously taken place, with respect to the late Resident's supposed connexion with the house of William Palmer and Co. The whole of those discussions had taken place during the absence of your Memorialist, at places where it was impossible for him to have obtained any information on the subject, under the leave obtained by him in June 1819, and were entirely confined to the Resident, without any allusion to any other person. Had your Memorialist been implicated in those discussions, or aware of the fact of their having taken place, would not such knowledge be totally inconsistent with the idea, that your Memorialist was actuated by fear of which he is accused, and yet refused that offer of Mr. Palmer's which would have destroyed all cause for apprehension.

27. Your Memorialist has already shortly stated the circumstances under which the affidavit of Sir William Rumbold and Mr. William Palmer was sworn before him; but the accusation that your Memorialist subsequently aided and abetted in a gross deception, attempted to be practised on Government by two of his former partners, requires from your Memorialist further notice. It is asserted, that the time was selected when the Resident was absent; that your Memorialist carefully concealed it from his knowledge; and your Memorialist is supposed to have had an undoubted knowledge of its genuine character and its supposed unworthy object. To these accusations your Memorialist replies, as he has before stated, that he never saw or heard of the affidavit in question until it was produced to be sworn, and did not even then know that, at that time, any inquiries were afloat respecting the partners of the house, therefore your Memorialist could not aid and abet in the formation of that which he never saw or heard of till completed. If your Memorialist did not assist in the formation, he cannot with justice be considered in any degree aiding or abetting in passing a document, over which he had no manner of control. Your Memorialist acted in the mere ordinary manner, in taking the affidavit which was sworn before him by Sir William Rumbold and Mr. William Palmer. His signature was affixed, as on all other occasions when affidavits are sworn, as the ministerial officer who took the affidavit. Are the persons before whom such affidavits are sworn, Judges, Magistrates, Collectors, or others, to be held responsible for the truth of their contents? Is the signature of a Magistrate attesting that the affidavit was sworn, to be taken to attest also that it was truly sworn? In almost all cases, the person before whom an affidavit is sworn knows nothing whatsoever of the contents of the affidavit, and not only is not responsible for the truth of them, but cannot refuse to administer the requisite oath if called on so to do. Your Memorialist, therefore, is most unjustly held responsible for the truth of the affidavit in question, and still more unjustly accused of having attested such truth.

28. Your Memorialist, however, does not pretend, that he was wholly ignorant of the contents of such affidavit, at the time of subscribing it as sworn before him. At the time of the affidavit being produced, the purpose for which it was intended was explained to your Memorialist. That purpose was not such as is represented.

represented. It was not at that time intended for a public document. It was prepared, at the request of Lord Hastings, as a private document, for the satisfaction of his Lordship's mind; and though subsequently used as a public document, and now represented as made upon a general inquiry as to the connexion of the members of the Residency with the house of William Palmer and Co., it was actually made upon an inquiry relative to the then late Resident's supposed connexion with that house, and relative to no other person whomsoever. It had been proposed privately by Lord Hastings to the members of that house, and had not gone through the Residency as a matter of public nature. Sir William Rumbold had, indeed, consulted with Sir Charles Metcalfe upon the form in which it should be prepared, but had not been called on by the Government so to do. That it was intended to conceal the matter from Sir Charles Metcalfe is sufficiently refuted by this fact. The statements contained in the affidavit are strictly true. They were intended to set the matter at rest in Lord Hastings' mind, as far as affected the then late Resident, and no one besides was accused or thought of. Was it incumbent on Sir William Rumbold and Mr. William Palmer, when called upon relative to one man who had been accused, to inculpate another, who though guilty, had not been accused, and who had done all in his power to repair his error, long anterior to the time when that affidavit was sworn? If not incumbent upon them, upon what principle of natural justice could your Memorialist be called on to become his own voluntary accuser, in a case to which he was no party? He was bound, in his situation of First Assistant acting for the Resident in his absence, to swear the party, as he must have sworn any other person who came to swear any other private affidavit.

29. Equally unfounded is it to suppose, that any intention existed in the minds of the parties (as your Memorialist verily believes) to select the period of Sir Charles Metcalfe's absence for swearing the affidavit. In the month of April he had left Hyderabad, with the intention of returning at the commencement of the rainy season. His plans were, however, changed, and in June it was well known that he would not come back until that season was over; nor did he in fact return till the month of November. Had the parties waited for that, a delay of near four months must have occurred; and the affidavit having been delayed for a considerable time after the application for it, in the first instance, by Lord Hastings, as your Memorialist has subsequently been informed, a further application had been made to Messrs. William Palmer and Co. by his Lordship for an immediate answer or affidavit. The charge, therefore, of selecting any particular period of time is invalidated. Had it happened that the absences of the Resident were short and rare, and advantage had been taken of one of these, some colour might be given to the accusation; but when it is considered that the Resident was absent nearly eight months, it is a cruel attempt at an aggravation, to say that the time was particularly selected, and that for the sinister purpose which your Memorialist is accused of having entertained. With no more justice can your Memorialist be charged with any attempt at concealment of having taken such document. Your Memorialist never could, or did think this a public document. From the Resident he had never heard one word on the subject, nor were there any public documents (to the best of your Memorialist's knowledge) in the office of the Resident relating to this business. Your Memorialist was perfectly ignorant that the subject was in agitation till the affidavit was produced. But called upon, as a matter of course, in the absence of the Resident, your Memorialist witnessed the act of swearing, without considering himself bound to inquire even into the nature of the instrument. In so doing, he never thought of concealment or otherwise. The affidavit was presented, not read with attention, though looked at by your Memorialist, then sworn to, and despatched at the same time to Lord Hastings by Sir William Rumbold, as a mere private document; and your Memorialist never thought it was necessary to report to the Resident a paper which was sent away in a private letter, and of which no copy was taken, or any record left in the office of the Residency.

30. Unapprized, therefore, as your Memorialist was, of the object to which the attention of the Resident had been turned; unconsulted in the formation of the affidavit (for your Memorialist is ready solemnly to swear that he never saw or heard of it before it was sworn to in his presence), it was considered by your

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Mr. Sotheby's Memorial.

your Memorialist as an ordinary transaction, worthy of no particular notice, and treated by your Memorialist as such. That your Memorialist ever supposed it had any other character or object than that of exculpating Mr. Russell, he positively denies; and that he supposed it was intended for the purpose of deceiving the Government he equally denies, for, in fact, he believed that it never was intended for any other member of Government than the late Governor-General, the Marquess of Hastings, for whose private information alone he considered it intended.

31. These explanations, your Memorialist hopes, will be sufficient to remove from the character and conduct of your Memorialist the serious charges which have been brought against him, relative to this affidavit. If your Memorialist has inadvertently subjected himself to those legal proceedings to which he is said to be liable, your Memorialist must hold himself in readiness to meet in a court of law such charges as may at any time be preferred against him; but your Memorialist is advised that, on that head, he has no ground for apprehension. Be that as it may, his own conscience tells him, that if he has been guilty of what the law regards as usury and extortion, he has in that respect sinned in ignorance and darkness.

32. That your Memorialist has, at an early period of life, violated the rules of the service in which he was engaged, he readily admits and deeply laments. He trusts, however, he will have succeeded in the attempt to satisfy your Honourable Court, that those deep shades of guilt, with which the resolution of the Governor-General in Council would have blackened his character, should be in some degree removed.

33. If your Memorialist has been in any degree successful in the attempt to shew that his repentance was sincere, that his retraction was the consequence of that repentance, and that his subsequent conduct does not warrant the assertion that he aided and abetted in a deliberate attempt to palm a falsehood on the Government, he looks with confidence to a favourable consideration of his case, and an extension towards him of the lenity of your Honourable Court.

34. Your Memorialist is the more induced to cherish this hope, in calling your attention to your Memorialist's conduct in your service, and to the circumstance that, however culpable his conduct in forming a mercantile connexion, it has not been productive of actual injury to the interests of the Honourable East-India Company, nor withdrawn your Memorialist from the due performance of his duty towards them.

35. It has pleased the Honourable the Governor-General in Council to come to the opinion, that your Memorialist *might* have forgotten his duty to the Honourable Company if circumstances had placed him in a more prominent situation, and that your Memorialist is no longer worthy of holding a confidential situation under the Government. Not to insist on the principle, that every man has a right to the presumption in his favour, of his not giving way to corruption until he actually commits the offence, your Memorialist has a right to say, that his relinquishment of a lucrative concern, as soon as circumstances brought home to his mind the impropriety of the connexion, and opened his eyes to the interference it might offer to the strict discharge of his duty, affords ground to conclude, that his zeal for the interests of his employers is paramount to all ideas of personal wealth and aggrandizement. But in the despatches of Sir Charles Metcalfe your Memorialist is fortunate enough to find direct testimony, not only of his zeal and fidelity to his employers, and that their interests have never actually suffered in the hands of your Memorialist, but that, in the opinion of Sir Charles Metcalfe, his connexion with the house of Messrs. William Palmer and Co. did not render him unfit to be employed confidentially in the service of the Honourable East-India Company.

36. Sir Charles Metcalfe was well aware, soon after his arrival at Hyderabad, and before the date of his first despatch, of your Memorialist's former connexion with the house of Messrs. William Palmer and Co., and of his having retired from it as before stated. Sir Charles Metcalfe's measures relating to that house are well known to your Honourable Court, and to his despatches (extracts of which are inserted herein, and official copies of which extracts are now in the possession of

of your Memorialist), your Honourable Court is referred for his testimony to the conduct of your Memorialist upon all occasions, and the readiness with which he fulfilled his duty, in forwarding, in his subordinate situations, the views of his superiors.

37. The late Governor-General, the Marquis of Hastings, by his appointment of your Memorialist to the situation of Governor-General's Agent at Moorshedabad, after the knowledge he possessed of every fact which has now given rise to the suspension of your Memorialist, also grants his sanction to the opinion, that your Memorialist is not so wholly undeserving of the confidence of the Honourable Company.

38. In conclusion, your Memorialist assures your Honourable Court, that the supposition contained in the resolution of the Honourable the Governor-General in Council, that your Memorialist has derived large profits from his connexion with the house of Messrs. William Palmer and Co., is far from being correct. The share held by your Memorialist was but small, and produced proportionably trifling profits in amount: and your Memorialist solemnly avows, that since his separation from that connexion, now a period of more than three years and a half, the expenses in which he has necessarily been involved, in consequence of his removal from Hyderabad to Calcutta, and thence to Moorshedabad, and finally to Europe, have and will so greatly reduce what he was enabled to accumulate, after payment of his debts in the short time (not five years) during which he continued a member of that house, that the confirmation by your Honourable Court of the sentence passed upon him by the Government of Fort-William, and the removal of him from the service, will involve your Memorialist, and those dependent on him, in the greatest distress; indeed he may say, in total ruin. Deeply impressed with the consciousness of having violated a positive enactment of the Honourable East-India Company, by his inconsiderate acceptance of a share in mercantile transactions, your Memorialist humbly hopes, that the statements which he has made, and which he is prepared in every respect to substantiate in proof, with the explanations he has offered, will convince your Honourable Court, that the motives by which his conduct was actuated, in voluntarily renouncing all further participation in those transactions three years before any accusation was preferred against him, were such as he has represented, not those imputed to him; and that, in the minds of your Honourable Court, the share which your Memorialist had in the affair of the affidavit, will be divested of that criminality which is attached to it by the resolution of the Honourable the Governor-General in Council.

39. Your Memorialist humbly states, in justice to himself, that in the course of fifteen years service, but one dereliction of duty can be laid to his charge, and that in an act to which the pressure of pecuniary difficulties led him, at a time of life when the judgment can hardly be said to be fully matured. From the first date of his holding an appointment in the service, no imputation has ever been cast upon him, of any remissness, negligence, or want of zeal in the performance of his various duties. On the contrary, the highest authorities have borne testimony (notwithstanding the connexion he had formed) to his fidelity and zeal. He is bold to trust, that under no circumstances can they be impeached. If it is alleged that his subordinate situation did not expose him to the temptation of any breach of duty, then is his assertion, that he could not assist Messrs. William Palmer and Co. proved, and his motives purified from the ground of reproach. If he was in such a situation as to be enabled to forward their views, then is his conduct placed still further beyond the reach of detraction. He has, in that case, sacrificed his personal feelings, his motives of self-interest, the desires and wishes of his friends, to his sense of duty and his fidelity to his public employers. He has passed unhurt through the ordeal of temptation. Your Memorialist, therefore, throws himself upon the mercy and lenity of your Honourable Court, in the humble expectation that, upon a due consideration of all the circumstances of his case, and of the severe punishment to which his conduct has already exposed him, your Honourable Court will be induced to extend forgiveness to a fault, inconsiderately commenced but deeply and sincerely repented, and not brought forward till three years after his voluntary retraction; and will be graciously pleased to revoke the sentence of suspension from employment, which has been passed upon him,

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and to restore him to that service to which he has been so long devoted, under the impression, that although in one instance his conduct has been wrong, he is nevertheless still worthy to hold a confidential situation under the Government of the Honourable East-India Company.

Calcutta, 5th August 1823.

(Signed) HANS SOTHEBY, A Senior Merchant on the Bengal Establishment.

Note.—*The following Papers were appended to the foregoing Memorial in the order in which they stand in the following list:—*

A.—Affidavit of Mr. William Palmer and Sir William Rumbold.—Vide page 158.

B.—Letter from Mr. Secretary Swinton to Mr. Sotheby, dated 29th March 1823.—Vide page 468.

C.—Letter from Mr. Sotheby to Mr. Secretary Swinton, dated Moorshedabad, 18th April 1823.—Vide page 482.

D.—*(Not before printed)* :—

D.

Letter from Secretary to Government.

To H. Sotheby, Esq., Agent of the Governor-General, Moorshedabad.

Sir:

1. I am directed to acknowledge the receipt of your letter of the 18th instant, and in reply to communicate to you the enclosed copy of a resolution, under this date, passed by the Governor-General in Council on your case, by which you will be apprized that you are removed from the office of Agent at Moorshedabad, and from further employment, pending a reference to the Honourable the Court of Directors.

2. You are accordingly hereby directed to make over your office to the Magistrate of Moorshedabad, who has been instructed to assume the temporary charge of it, when your salary as Agent will cease, from and after which time you will draw the allowance of your rank as a civil servant out of employ.

I have, &c.

Fort-William, 24th April 1823.

(Signed) G. SWINTON, Secretary to Government.

E.—Extract from the Proceedings of the Honourable the Governor-General in Council in the Political Department, dated 24th April 1823.——Vide page 484.

(Enclosure No. 2.)

Mr. Adams' Minute. 8 August 1823.

MR. ADAM'S MINUTE.

Mr. Sotheby having, in his memorial to the Honourable the Court of Directors, stated as matter of exculpation, that his connexion with the house of William Palmer and Co., was known to the Governor-General, Lord Hastings, at the time of his Lordship's receiving the affidavit from Sir William Rumbold, and having further alleged, that his fault was not brought forward till three years after his voluntary retraction, and that he considered his appointment to Moorshedabad to amount to a pardon of past errors, I think it necessary, in order to obviate any possible misconstruction, to declare in the most distinct and unequivocal terms, that at the time when the affidavit was communicated by his Lordship to the Council, *viz.* on the 10th of May 1822, I had not the most remote suspicion of Mr. Sotheby's having been connected with the house in any way. The terms of the affidavit were undoubtedly calculated to create a belief of some reservation regarding persons belonging to the Residency, but no suspicion pointed to Mr. Sotheby. At a period not long after the communication of the affidavit by Lord Hastings to the Council, I did receive information, to which, though unsupported by direct proof, I could not deny credence, of Mr. Sotheby having, with others belonging to the late Residency, been deeply engaged with the house of William Palmer and Co. This information was communicated in a private and confidential form, and I could not, without violating the confidence thus reposed in me, make any public or official use of it, without the consent

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Mr. Adams' Minute, 8 Aug. 1823.

consent of the person by whom it was transmitted. Sensible of the very embarrassing situation in which I was placed, by possessing information which I could not publicly use, I urged the necessity of my being allowed to impart it to the Governor-General and the members of Council, and, with the consent of my informant, I did so about the end of August 1822.

This was the state of my information on the subject, when the mention, in the Resident's despatch of the 1st of August 1822, of Mr. Currie, the late Surgeon of the Residency, having been a partner in the house, afforded an opening for calling for the explanations required by the instructions to the Resident of the 13th of September 1822, which were still more pointedly demanded in those of the 30th of November following.

In the interval between the despatch of the last-mentioned letter, and the receipt of the Resident's reply, which was not indeed received until after the departure of Lord Hastings from India, his Lordship proposed the appointment of Mr. Sotheby to be Agent of the Governor-General at Moorshedabad, from which Mr. Sotheby has inferred a virtual pardon of the offence, which he assumes to have been known to the Government. The Minute proposing that appointment is dated the 28th December, three days before his Lordship's embarkation. Whatever was my own suspicion of Mr. Sotheby's culpability, it was not before me in such a tangible shape, as to admit of my making it a ground for officially protesting against the measure. In ordinary course, the official nomination of the Governor-General is decisive of the appointment of public officers; and I do not conceive a Member of Council to be warranted in officially opposing such a nomination, except on grounds distinctly assignable on record, such as I conceive were wanting in this case. Circumstances to which I need not more particularly advert, precluded me from urging, in a less formal manner, the objections to Mr. Sotheby's being called to a high office at that time. They were certainly not the less powerfully felt by me; but on the most deliberate consideration of the subject, and adverting to the fact of the Governor-General's possessing the same knowledge that I did myself, of the reasons for mistrust of Mr. Sotheby's correctness, and to my inability to support by evidence, or even (without a breach of confidence) by an official reference to authority, the grounds of my dissent, I came to the resolution of suffering the appointment to pass unopposed, conceiving that, in so doing, I in no degree debarred myself from following up any inquiry that might arise out of the pending reference to the Resident, or from adopting such proceedings as the case might seem to demand.

I will only add, that all the information received by me on the occasion referred to at the outset of this Minute, with regard to the connexion between the members of the former Residency and the house of William Palmer and Co., has since been elicited by the official correspondence with the Resident, and is on record.

Fort-William, 8th August 1823.

(Signed) J. ADAM.

(Enclosure No. 3.)

MR. FENDALL'S MINUTE.

Mr. Fendall's Minute, 9 Aug. 1823.

With reference to that part of Mr. Sotheby's Memorial which relates to the knowledge of his having been a partner in the house of Messrs. William Palmer and Co., at the time Lord Hastings received the affidavit from Sir William Rumbold, I have only to remark, that the circumstance of Mr. Sotheby's being a partner in the house was never known or suspected by me, until Mr. Adam made the confidential communication to me, as stated by him in his Minute.

This information confidentially given to Mr. Adam not having been brought upon the record of Proceedings, there was no public ground to warrant a dissent to the proposition of Lord Hastings, for appointing Mr. Sotheby his Lordship's Agent at Moorshedabad, and I therefore agreed to it.

Fort-William, 9th August 1823.

(Signed) JOHN FENDALL.

To

LETTER *from* SIR WILLIAM RUMBOLD, BART. *to the* COURT OF DIRECTORS.

Letter from Sir Wm. Rumbold, Bart.

To the Honourable the Chairman, Deputy Chairman, and Directors of the East-India Company.

Honourable Sirs:

As a partner in the house of William Palmer and Co., at Hyderabad, I have the honour to address your Honourable Court.

Since my return from India, I have heard that statements, altogether unfounded, charging myself and partners with having obtained corrupt support, in the establishment and conduct of our business, from official authorities in that country, are in circulation here. Under the impression that such statements must have reached the ears of the Members of your Honourable Court, and must tend to create impressions not less unjust and injurious to others than to ourselves, I entreat permission to lay before you such documents as chance has placed at my immediate command, in refutation of the charges referred to, and such as I am confident will carry conviction to all the Members of your Honourable Court of their utter want of foundation.

I have, &c.

Thomas's Hotel, Berkeley Square, 6th January 1824.

(Signed) W. RUMBOLD.

Letter from Mr. Secretary Dart.

To Sir William Rumbold, Bart., &c. &c. &c.

Sir:

In reply to your letter of yesterday's date, addressed to the Court of Directors of the East-India Company, requesting permission to lay before the Court certain documents to which you there allude, in refutation of charges which you state you have heard to be in circulation respecting the conduct of the business of Messrs. William Palmer and Co., at Hyderabad, I am commanded to inform you, that any document or communication which you may see fit to address to the Court of Directors will be duly laid before them.

I am, &c.

East-India House, 7th January 1824.

(Signed) J. DART, Secretary.

Letter from Sir Wm. Rumbold, Bart.

To Joseph Dart, Esq., &c. &c. &c.

Sir:

When I received your letter, informing me that the Court of Directors had been pleased to comply with my request to be permitted to lay certain documents before the Court, I did hope that I could have got them copied and sent to you before Wednesday next.

I much fear, however, that I shall not be able to realize this expectation, owing to a disappointment which I could not foresee. The papers shall be prepared and submitted to the Court as soon as I can get them copied.

I am induced to trouble you with this letter, lest I should appear unaccountably dilatory in taking advantage of the permission of the Court.

I have, &c.

Thomas's Hotel, 11th January 1824.

(Signed) W. RUMBOLD.

Letter from Sir Wm. Rumbold, Bart.

To the Chairman, Deputy Chairman, and Directors of the East-India Company.

Honourable Sirs:

In laying the accompanying documents before your Honourable Court, in conformity with the consent you were pleased to give to my application, begging permission to do so, I trust I shall be pardoned if I take the liberty of offering a few

Letter from Sir Wm. Rumbold, Bart.

few observations relating to those documents; and, in so doing, I am compelled to advert to the political state and public credit of the Nizam's country, for many years before the establishment of the house of William Palmer and Co.

The house of William Palmer and Co. acted under the impression, that the decided and public support given by the British Government to Chundoo Loll, had arisen out of the knowledge which the British Government possessed, that a very powerful party, to which the Nizam himself was supposed to lean, existed in his Highness's Court opposed to the British interests, and hence the firm concluded that any assistance rendered to Chundoo Loll for the support of his Government, would be looked upon favourably by the British Government.

At the period when the house became involved in pecuniary transactions with the Minister, the credit of the Nizam's Government was very low, and the Minister's assignments upon his collectors were discounted in the bazars at a discount of three and four per cent. per month. The house, in lending him money upon much more favourable terms, supposed that its transactions were beneficial to his Government. At this time it never entered into the contemplation of the firm, that their accounts with the Minister would be subjected to an audit by the British Government. It was supposed that the Minister's satisfaction with the terms of their engagements was sufficient, and therefore all charges to him were consolidated under the head of interest, by which the adjustment of accounts with him was much simplified. Had the house anticipated a re-audit of its accounts, the charges for expenses and commission would have been made separately, and the interest would not have then appeared so high.

In support of this, I beg to submit that the usual charge of British houses of agency at the Presidency of one per cent. commission upon one side of an account current, amounts frequently to three or four per cent. upon the amount of the balance.

But the accounts were kept only for the information of Rajah Chundoo Loll; and the firm having received the sanction of the British Government to their dealings with the Minister, supposed that he was equally competent to make his bargains with them and with the native bankers; and they always believed that when he resorted to the house in preference to natives for accommodation, he did so because he found the terms of such accommodations from it more advantageous to him, than those he could make elsewhere. I beg to submit to your consideration, that during the Residency of Mr. Russell, all the transactions of the Minister with the house were upon the security of the Minister only, and that the Resident had required from the firm an acknowledgment in writing, that they understood themselves to have no other security than that of the Nizam's Government, and no right to expect from the Resident any further assistance for the recovery of their debts, than such as he could give them by his influence over the Minister, without involving the British Government in any discussions with the Nizam's Government on the subject.

In estimating the terms of the advances made by the house, it is hoped that the nature of the security will be taken into consideration: and I am sure, I am justified in saying, that no natives would have lent money so cheap upon such security as the house held.

In confirmation of this, I beg to state that the native bankers at Hyderabad refused to take half the amount of the loan upon the terms of the agreement with the Minister, and only agreed to lend money for the purpose of the loan to the house upon its security, taking from it, at first sixteen, and afterwards eighteen and twenty-four per cent. for these advances, and compelling the house to pay them the same rates for all their previous advances. These facts are so notorious at Hyderabad, that I am convinced their accuracy will not be disputed.

I further submit for your consideration, that at the period of the great advances made by the house to the Nizam's Government, the interest of money in Calcutta was never less than twelve per cent.: that during that time the Company's Government had opened a loan, giving ten per cent. interest for a year, and that the rates of exchange at which money was received for that loan at different treasuries, and other advantages given to the lenders, afforded them a bonus of six or seven per cent. upon the money lent.

If such was the value of money in those times in Calcutta (and it may be easily ascertained by a reference to the houses of agency in London) among

Letter from Sir Wm. Rumbold, Bart.

merchants living under the protection of a British court of justice, and when they had ample security for all money transactions, your Honourable Court can thence form a just conception of the rate at which individuals at Hyderabad were likely to borrow, when the lenders were aware of the hazardous speculation in which the borrowers had embarked.

I have understood that the present Resident at Hyderabad, at the commencement of last year, urged thereto by the distresses of the regular and reformed troops of his Highness, was induced to borrow money at Hyderabad through the First Assistant at the Residency; and that, upon the ample security of the British Residency, he could only obtain two lacs of rupees at twelve per cent. This fact I have only learnt from private letters to me: your Honourable Court may have information on the subject. If the fact be correctly stated, I venture to hope that it may be considered as highly in favour of the transactions of the house; for at the period above alluded to, the houses of agency in Calcutta would not receive money at higher rate of interest than five per cent., and refused to receive large sums even upon those terms.

I beg to submit to your Honourable Court, that the large debt to the house originated in the advances made to the Minister for the maintenance and equipment of troops during Lord Hastings' campaigns. That in making those advances, the firm was fully aware of the depth of the speculation into which they entered. They saw, on one hand, the imminent risk to which they were exposed of losing the whole, for they were aware that the spirit of resistance to the British Government, which manifested itself in all Central India, was fully as strong at Hyderabad as in the other native Courts. Had Chundoo Loll been murdered by the opposite party, or had he been dismissed by their intrigues, or had his pecuniary resources failed, they were convinced that the Nizam's Government would have joined the confederacy against the British Government. On the other hand, they had full confidence in the firmness of the British Resident, and in the zeal and fidelity of Rajah Chundoo Loll. They were aware of the vast importance which must be attached by the Company's Government to the active co-operation of the Nizam's, and of the alarming consequences of his defection, and they imagined that, if the capital and credit of the house could be made essentially useful to the Nizam, they should render a public service, which could not be overlooked by either Government. The firm saw the defection of other native Courts in succession with dismay, and could not but dread that the Hyderabad State would be involved in the general wreck; but it nevertheless continued its assistance, and the Nizam's Government stood firm to the end.

I venture to solicit your Honourable Court to refer to the despatches of your Residents for years previous to these campaigns, relative to the state of the credit and finances of the Nizam's Government, and to consider the extent of the military aid which he did furnish to the British Government; and if that aid was greater than might have been expected from his resources, I trust it will appear that he must have received great and unexpected assistance, and that the house of William Palmer and Co. may hope for some consideration for having furnished it.

The Resident and the Minister have frequently acknowledged the great public services rendered by the house at the above times; and we always hoped that the Governor-General would feel disposed to look favourably upon an establishment, which had asserted claims to his protection upon their joint testimony.

I humbly submit, therefore, that if these high authorities appear to have shewn peculiar consideration for the house, the causes of this consideration may be readily accounted for, as proceeding from motives creditable to our establishment: and I hope and trust, that if it does not seem expedient that our house should be allowed to continue its transactions with the Nizam's Government, the liberality and justice of your Honourable Court will induce it to look favourably upon the house in the adjustment of its claims, and that it may not lose the benefit of the countenance of the British Government, in prosecuting its commercial and other banking transactions at Hyderabad.

I have, &c.

London,
19th January 1824.

(Signed) Wm. Rumbold.

STATEMENT,

To which the Documents refer.

Statement by Sir Wm. Rumbold, Bart.

Sir William Rumbold accompanied Lord Hastings to India, and landed in Calcutta in October 1813. In the early part of the year 1814 he received, through Mr. Palmer of Calcutta, a proposal to become a partner with William Palmer and Co. of Hyderabad. Lord Hastings being at that time in Calcutta, Sir William Rumbold consulted his Lordship on the prudence of accepting the offer, but was discouraged by his Lordship from acceding thereto.

In the month of June Lord Hastings proceeded up the country, and in the autumn Sir William Rumbold addressed his Lordship by letter, urging his inclination to join the house at Hyderabad.* By a reply, dated 4th November 1814 (No 1), Lord Hastings again discouraged the project. In order to understand the reference to trust-money in this and letter (No. 2), it is requisite to state that Lord Hastings is a trustee to the marriage settlement of Sir William Rumbold, and his consent is therefore necessary to the employment of any and every portion of the funds in settlement.

In consequence of further information, Sir William Rumbold again addressed Lord Hastings in a letter (No. 2), in the latter end of 1814, recurring to the subject of the Hyderabad house, and enclosing a letter from Mr. De Fries of Madras (No. 3). To this Lord Hastings replied by a letter dated 4th January 1815 (No. 4).

In the month of April following, Sir William Rumbold proceeded to Hyderabad and became a partner, and signed a deed of copartnery with Messrs. William Palmer, Hastings Palmer, Bunketty Dos, Dr. Currie, and Hans Sotheby.

On reference to Lord Hastings' letter of January 1815, it appears that a letter from the Governor-General in Council had been previously written to the Resident at Hyderabad, giving the benefit of the British Government's sanction and countenance to the house of William Palmer and Co., "in consequence of the "service rendered by that house to the Nizam's Government at the request of "the Resident."

The disturbed state of Central India, and the distressed state of the Nizam's treasury at this and following periods, rendered it very desirable to the Minister, Chundoo Loll, to be able to command money for the payment of the troops, at times when the resources of the country did not enable him to provide it.

The house of Palmer and Co., well aware of the pledged support afforded to the Minister by the British Government and Resident, did from time to time meet his wishes, so far as they deemed it consistent with safety and propriety. It is not to be forgotten, that the Nizam's country, under the resolute and faithful conduct of Chundoo Loll, was the only ally in that part of India that remained attached to the British Government, and efficiently supported it in the field at a momentous crisis. That it was enabled to afford that assistance, and that the Minister was enabled to preserve his station and power against the intrigues of his rivals and his enemies, was owing to the resources he found in the confidence and liberality of Messrs. William Palmer and Co.

In the year 1816, the house directed its attention to the precise terms and import of the letter addressed by the Supreme Government in their favour to the Resident; and although he had considered it sufficient to authorize him in sanctioning the transactions they had had with the Nizam's Government, they thought it right to address a letter to the Governor-General in Council, dated 27th June 1816 (No. 5), requesting a specific official protection against the penalties of the 37th George III., according to the terms of the Act. The license, under the hand and seal of the Governor-General in Council (No. 6), was transmitted in a letter from Mr. Secretary Adam, dated the 23d July 1816 (No. 7).

In

* That House was established in February 1814.

Statement by Sir Wm. Rumbold, Bart.

In 1817 an application was made to William Palmer and Co., on the representation of Captain Sydenham, the British Political Agent at Berar, to establish a branch of the firm at Aurungabad, for the purpose of paying with regularity the regular and reformed troops of his Highness.

It is important to observe, that Captain Sydenham was most urgent in desiring that the house of Palmer and Co. should consent to undertake this transaction; and yet it has been insinuated, that Mr. Russell was a partner, or otherwise interested in the money transactions of the house of Chundoo Loll. Surely Captain Sydenham would not have suggested the transaction, had he deemed it one merely calculated for the undue advantage of the house, at the expense of the Nizam's Government, which is the insinuated ground on which it is pretended Mr. Russell's interested consent to the transaction was alone obtained.

The extract of a letter from Mr. William Palmer to Mr. John Palmer (No. 18), gives the account of the motives which induced the former to assent to the arrangement.

This letter was written after Sir William Rumbold had left Hyderabad to go round to Calcutta, and in consequence of having heard of certain objections to the Aurungabad establishment, which led to the call made by the Governor-General in Council for the accounts of the house in September 1819.

To this proposal the house declined assenting, seeing that it would be attended with considerable difficulties and expense, that the advances they might be called on to furnish would be considerable, and feeling the pressure of those they had already made in the late campaign, at the urgent request of the Resident, to enable the Nizam's Government to equip and support their troops co-operating with the Company's armies; to induce the house to make which advances, they were repeatedly assured they would thereby entitle themselves to the grateful considerations of both Governments. Upon a repeated and more urgent representation to the house by the Resident, at the commencement of the year 1818, Captain Sydenham holding out the prospect of an impending revolt of the troops, William Palmer and Co. did consent to the proposed establishment at Aurungabad.

The house engaged to make monthly payments to the troops, to an amount not exceeding two lacs of rupees per month, for which the Minister was to give them at the commencement of each year assignments on the Collectors, to the amount of thirty lacs of rupees. An account-current was to be opened with the Minister, who was to be charged eighteen per cent. for interest and six per cent. for commission (including all charges for providing specie, &c.). On the debtor balance against him the house were to debit themselves with twelve per cent. interest for any balance of cash in their hands, arising from an excess of their receipts from the collectors beyond their payments. It depended on the Nizam's Governor, therefore, by seeing that the Collectors made punctual payment of the charges upon them, that Messrs. Palmer and Co. should derive no advantage whatever from the contract.

The Resident was fully acquainted with the contents of the contract.

On the 4th September 1819, the Governor-General in Council wrote to desire a copy of the accounts of Messrs. Palmer and Co. with the Minister Chundoo Loll, relating to the Aurungabad contract. Whilst the letter was on the road, Sir William Rumbold was crossing it on his way to Calcutta.

On learning, on his arrival there, what had been done, he addressed a letter to the Secretary to Government, announcing himself as a partner in the house of William Palmer and Co., and in the name of himself and partners declining to produce the accounts called for. Sir William Rumbold was summoned before the Council, but for what purpose he was not informed, and he there stated that he objected on principle to disclose any account between his house and any constituent: but he stated, that the accounts had been delivered to the Minister, and that he was the proper person to be applied to for them.

The Council sustained the validity of the grounds of the objection, and Sir William Rumbold understood the demand would not be persisted in.

Sir

Statement by Sir Wm. Rumbold, Bart.

Sir William Rumbold being before the Council, stated that he had heard that an impression existed of Mr. Russell's being, or having been, a secret partner in the firm of which he was made member, and he tendered himself to be examined on oath on that subject, but his offer was not accepted.

After the Council broke up, he received a note (No. 8), dated 9th of October, from the Secretary, Mr. Metcalfe, stating that it had been determined that the arrangement between the house and Chundoo Loll should not be interfered with. In the mean time, the requisition of the Governor-General in Council had been transmitted to Hyderabad; and in Sir William Rumbold's absence, Messrs Palmer and Co., deeming that erroneous conclusions might be drawn from the withholding the accounts, transmitted them in full detail to the Resident, with a letter (No. 9), 12th September 1819. On the following day, Mr. Russell acknowledged the receipt in letter (No. 10).*

On the 3d February 1820, Mr. Metcalfe addressed a letter (No. 11) to Sir William Rumbold, stating that the accounts had been received, and that after passing in circulation among the Members of Government, they had been returned to Hyderabad, there being no plea for scrutinizing or recording them. It should be here stated, that the Minister had observed his part of the contract to the letter only, but not the spirit; for the assignments he gave to the house proved to be not claimable to a very large amount, and thus was the house left, after acting under the contract for a year and a half, under an advance of cash of nearly fourteen lacs of rupees, on the Aurungabad contract.

The house was, at this time, urgent with the Minister to keep his promises made to them at the period of their advances during the Pindarry war, and for the pay of the Berar Suwars, and to give them good assignments as security or a discharge of their claims.

The Minister urged his inability to keep his word, at a moment too when he was pressed by the British Resident to diminish the establishment, and that such reductions required the immediate command of a sum of money to discharge existing claims; and that he only saw one way of being enabled to do his duty to all parties, *viz.*, by raising a loan sufficient to discharge all his debts bearing a higher rate of interest, and at the same time leave him a sum to discharge the claims to be paid on reducing the establishment.

The proposal of the Minister was replied to by a letter from the house, which letter, together with the Minister's proposal delivered to the Resident, were at a later period forwarded by him to Calcutta, and the sanction of the Council was returned to the loan. The terms on which the proposal was submitted to the Supreme Government were, that for an advance of sixty lacs, six annual re-payments, of sixteen lacs each, were to be received in return. These re-payments were to include interest, commission, and all charges.

To raise so large a sum within the limited district to which the constituents of the house were usually confined, did not come within the calculation or expectation of Messrs. Palmer and Co. It was their scheme to have furnished the money by instalments, within a limited period of some months: in the interval, they counted upon receiving money on loan from the different Presidencies, at a moderate and ordinary rate of interest. The proposals for the loan, on the terms above specified, were made in the month of March or April, but not sent to Calcutta till some months later, for the formal approval of the Governor-General in Council. The terms and object of the loan had been immediately communicated to Mr. Russell, and received his sanction. He was of opinion, that under the letter of license, the express sanction of the Government to this transaction was not requisite. The measure was one of evident advantage to the Minister, as by it alone was he enabled to comply with the Resident's wishes of reduction, and at the same time to meet the call for the fulfilment of his engagements to Palmer and Co. and to other creditors.

Immediately on the assent of Messrs. Palmer and Co. being signified to the Minister, he became urgent with them to let him have advances made to him at the moment, those payments to be counted as in part of the loan, when the contract

* The copies of these letters furnished by Sir William Rumbold are dated No. 9 the 12th October, and No. 10 the 30th October.

Statement by Sir Wm. Rumbold, Bart.

tract should be formally drawn up and completed. These previous advances at the period between the proposal for and the actual contracting for the loan, swelled up the amount of Messrs. Palmer and Co.'s claims, when the loan came to be completed, to an amount so nearly approaching the whole of it, as to make it appear merely a transfer of one security to another; but the money was not the less actually paid to the Minister. For his accommodation the loan was anticipated, and he gave the bonus for that service and risk.

For this accommodation, at the great expense and inconvenience of the house he offered them compensation in the shape of the bonus, out of the loan, of eight lacs. Messrs. Palmer and Co. are ready to submit to any mercantile persons, the question whether, under their circumstances, they would not have much preferred the delayed payment, than to have made the advances at the risk they did for the bonus. In fact, from the representations of the Minister of the urgency of his necessities, and the peril to their own claims previously existing, they felt themselves compelled to support Chundoo Loll at this crisis. Those claims had arisen with the knowledge of the Resident.

On the 1st January 1821, Mr. Metcalfe addressed a letter (No. 12) to Messrs. Palmer and Co., intimating the order of the Court of Directors that the license of July 1816 should be suspended, as to any future transactions between the house and the Nizam. On the 15th January Messrs. Palmer and Co. replied by letter (No. 13).

Soon after Mr. Russell's retirement, Mr. Metcalfe, his successor, addressed to Messrs. Palmer and Co. a letter (No. 14), dated 19th March 1821, announcing his intention of submitting to the Supreme Government a plan for discharging the sixty-lac loan. To this letter Messrs. Palmer and Co. replied, on the 24th April, by letter (No. 15).

On the 5th April Mr. Metcalfe submitted his proposal to the Governor-General in Council, but it does not appear to have been approved. It has been supposed, that its failure was owing to Sir William Rumbold's influence with the Governor-General. This is, however, a completely erroneous impression, for it so happens that Sir William Rumbold, differing in his view of the effect of the proposal from his partners, by whom after repeated discussions he was out-voted and overruled, was very anxious that the proposal of the Resident should be complied with.

On the 10th of June 1821, Lord Hastings addressed a private letter (No. 16) to Sir William Rumbold, desiring that, with a view to remove any doubt on his own mind, the firm of Palmer and Co. should define, upon oath, whether or not any British public functionary had, at any time, had pecuniary transactions with the house, which could influence him in countenancing their dealings with the Nizam's Government. In the end of this letter, Lord Hastings expressly states the object of his inquiry to relate to Mr. Henry Russell. In this letter Lord Hastings refers to a former communication he had made to Sir William Rumbold, stating the expediency of Mr. Palmer's making a similar declaration the preceding month of December 1820. Upon that occasion Sir William Rumbold waited upon Mr. Metcalfe, the Resident, and communicated to him Lord Hastings' wish, and at the same time read to him the declaration (No. 17) to which Mr. Palmer was ready to swear. He also stated to Mr. Metcalfe the fact of Mr. Sotheby having been at one time a partner in the house, whilst he occupied the station of Assistant to the Resident; and he further acquainted Mr. Metcalfe with the peculiar circumstances under which Mr. Palmer had been induced to give him a share in the house, which fully acquitted Messrs. Palmer and Co. of any corrupt motive in having so done.

Sir William Rumbold considered his communication of Mr. Sotheby's connexion to Mr. Metcalfe as having been made in the confidence of private and friendly intercourse, and he felt convinced that the Resident would not make any public use of the knowledge so acquired, to the injury of that gentleman.

Sir William Rumbold would probably not think himself authorized to refer to it now, if he had not heard that it had been alluded to in Calcutta. He states it now, as proof that the house did not consider the connexion as objectionable in point of fact, and also as explanatory of the purpose of the affidavit afterwards

wards made out. Sir William Rumbold's object in this communication to Mr. Metcalfe was simply to obtain his private opinion, whether the declaration would be considered by Lord Hastings as a sufficient answer to the information he had required; and it was necessary to explain to that gentleman the difficulty of making it more general, without involving Mr. Sotheby. Mr. Sotheby, at the time he was admitted a partner, was scarcely on speaking terms with the Resident, and never set his foot within the Residency, except on public or formal occasions. The terms he was on at the Residency did not vary during the whole time that he continued a partner. The declaration of Mr. Palmer (No. 17) was read over to Mr. Metcalfe, and not objected to by him, and was transmitted to Lord Hastings by Sir William Rumbold in a letter dated the 22d December 1820 (No. 19). On the receipt of Lord Hastings' letter of June 10th 1821, above referred to (No. 16), which could not have reached Hyderabad earlier than on the 25th June,* Sir William Rumbold and Mr. Palmer drew up an affidavit (No. 20), and attested the same before Mr. Sotheby, the First Assistant (in Mr. Metcalfe's absence).

Statement by Sir Wm. Rumbold, Bart.

On the 26th June it was transmitted to Lord Hastings, in a letter from Sir William Rumbold (No. 21). This affidavit has been the subject of unmerited and unfounded remarks.

It is submitted, that a fairer or more conscientious, honest, and open declaration, was never made; one which it was utterly impossible to misconstrue or misapprehend.

In reference to this affidavit, Mr. Metcalfe wrote to Sir William Rumbold on the 8th May 1823 (No 22), and enclosed a letter from the Supreme Government (No 23), to which Sir William Rumbold replied by letter (No 24).

Letters (No 25 and 26) are here added, as completely bearing out the correctness of the affidavit, in confutation of the insinuations which have been made against its truth.

The affidavit embraces a period commencing with the present house of William Palmer and Co., and distinctly denies any improper connexion with Mr. Henry Russell and also with Mr. Charles Russell: for had he been connected with the House, the partners could not have sworn that Mr. Henry Russell was not indirectly connected with them.

Documents noticed in the foregoing Statement.

(No 1.)

To Sir William Rumbold, Bart., &c. &c. &c.

Letter from Lord Moira.

My dear Sir William:

You are very good in making for me so much allowance respecting the tardiness of my answer to your letter. It is very true that I have ample occupation for both my mind and time, yet I should not have overlooked your business, had not another cause than multiplicity of other advertences operated. I was very solicitous of recurring to a memorandum which I had made of points discussed respecting your affairs by me with Sir Edward East. I sought that paper in vain. The hope of retrieving it when I might be able to make a closer rummage, led me to delay till I should have a moment of leisure for that research; but, alas! when was that moment to be found? though I have not got the scrap, I recollect sufficient of the particulars to answer, perhaps, your purpose. Sir Edward was decidedly of opinion, that I could not be justified in assenting to the embarking any part of Harriet's fortune in aught but Government Securities. This I mentioned to you at the time, and I see you look to the direct operation of that principle, but I am not sure whether you take into calculation its indirect effect. You talk of borrowing the sum which you are to advance for a share in the firm. How can you do that without security to pledge? Your own money cannot be made that security, because that would be to subject it to the very risk which Sir Edward East regarded as illegal. If this be not an obstacle, I ought to suggest for your consideration a point to which you probably have not adverted. You do not only hazard the sum which you

* The post, in fine weather, is about thirteen days coming. The rains begin in June; after which the time is very uncertain.

Letter from Lord Moira.

you place in the firm, but any one of the partners is individually liable, to the whole extent of his property, for the debts of the House: any accumulation, therefore, which you might make, with the view to comfort hereafter in England, would be exposed to that danger. I state this only for your reflection. I am not competent to form a judgment, satisfactory to myself, of the advantage or peril of your engaging in the business. A man of greater worth and honour than John Palmer nowhere exists, if universal testimony is to be relied upon, and he is unquestionably of strong talents: on the other hand, he has the character of speculating in commerce, to an extent disproportioned to his capital. This opinion may be only the loose guess of the uninformed, or the misrepresentation of the envious; still having heard it advanced by a person whose situation gave him a special view of the commerce of Calcutta, I am bound to impart it to you. Whether the house of Hyderabad is in such acknowledged connexion with the house of John Palmer in Calcutta, as that the one can be responsible for the other, I am not able to say. That fact would be a material consideration. Your best procedûre will be to consult Sir Edward East. The kindness of his disposition will insure you against his thinking it intrusion; and his judgment is so sure, that you would have perfect comfort in relying on it. Adieu, my dear Sir William. Give my affectionate remembrances to Harriet, and believe me, &c.

Camp at Powain,
20th November 1814.

(Signed) MOIRA.

(No. 2.)

Letter from Sir Wm. Rumbold, Bart.

The answer to this Letter is dated 4th January 1815.

My dear Lord:

I mentioned, in a letter I wrote you some weeks since, in answer to one of your Lordship's, that I should take the liberty of troubling you again about the house at Hyderabad. I trust you will let me trespass a few moments upon your time, in explaining what has occurred relative to that subject since the conversation I had with you. When my taking a share in the house was first proposed, I imagined that I should be expected to reside in Hyderabad; the principal object of my inquiry was, therefore, as to the advantages I should derive by giving up all chance of employment under your Lordship, and quitting a place where I should leave the friends I have in this country. I did not see any use in entering into the question of whether or not the trust-money could be safely embarked in the house till I had determined whether it was advisable to entertain Mr. Palmer's proposition at all.

The conversation I had at that time with your Lordship and Lady Loudon, and the kind intentions you expressed towards me, induced me to give up all idea of leaving Calcutta. The subject has since been revived, because it is now proposed to me to become a member of the house without residing at Hyderabad. All the information I have been able to procure has convinced me that such a step would afford me a fair chance of realizing a fortune, and that with little or no risk. The funds required for this object, in order to make it answer to me, would amount to three lacs. I think they might be procured without much difficulty: in fact I have the offer of the money at twelve per cent., provided I can find security for it. The first object with me, however, is to act with your Lordship's approbation. My interests and my inclinations are equally concerned in this line of conduct, the propriety of which has been repeatedly urged by Mr. Palmer, however unnecessary such a caution may be: at the same time he perseveres in saying, that he knows no such certain way of making a fortune. Were I assured of your approbation of the scheme, I would state to you what occurs to me, with respect to the possibility of appropriating the trust-money to this purpose, and how far the matter may be arranged without that money, should your Lordship see any difficulty in the way of its being so appropriated. I have already acquired from different persons much important information about the house, and have been waiting for the letter, of which I now enclose a copy, before I would trouble you. The letter is from Mr. De Fries, a friend of my family, being under obligations to them, and the head of the great Portuguese house at Madras. I thought him, from his local knowledge and

and the reputation he has of being a particularly careful man of business, the best person I could refer to. I in consequence wrote to him, informing him of the offer that is made me, and requesting he would advise me what to do. Your Lordship will, I trust, consider his letter as very strong in favour of the house; but I should, if you approve of the plan, be inclined to go to Hyderabad myself, before I positively embarked in the scheme.

Letter from Sir Wm. Rumbold, Bart.

I have, &c.

(Signed) WM. RUMBOLD.

(No. 3.)

Private and Confidential.

To Sir William Rumbold, Bart., &c. &c. &c.

Letter from Mr. Fries. (*Sic. orig.*)

My dear Sir:

I was favoured, four days ago, with your letter of the 6th ultimo, Soo Rsagen. I shall with pleasure impart to you my frank and sincere sentiments on the subject of your communication, and with perfect unreservedness, on the same condition that you required it of me, namely, that whatever I may say on the subject, it is to be considered entirely confidential, and intended only for your own private information and guidance.

There could be no doubt of Messrs. William Palmer and Co. carrying on a beneficial trade at Hyderabad, and I believe, as far as the nature of it will admit, the risk not great, compared to many other branches of trade. I have had several opportunities, from my intercourse and transactions with a gentleman of respectability and fortune who had been long resident at Hyderabad, to obtain a knowledge of the commerce of that city, and my candid opinion is, that if you can be admitted into the house of William Palmer and Co., and allowed at the same time to keep and remain at Calcutta in your present employ, you should by all means accept Mr. John Palmer's offer; in which case I should advise you, in order to render the concern beneficial to you, you ought to advance a capital of two to three lacs of Rupees, for from my knowledge of the transactions of that house at Hyderabad, it will require your carrying that sum into the firm, to make it an object of advantage to you. But if you are obliged to give up your present situation on your becoming a partner of the house in question, I would, were I in your place, prefer to remain in your present employ; for, believe me, a certain income of forty to fifty thousand Rupees yearly, without exposing to any risk, is much more preferable to almost double that sum by entering into speculation, when with all the caution and circumspection, there is generally some degree of danger unavoidable: and my maxim is, that it is best to prefer a certainty to any other of much greater advantage prospectively. This is my sincere and unbiassed opinion, founded on long experience and practical knowledge. To whatever you may determine upon, my cordial best wishes attend such line you may pursue, assuring you, at the same time, I shall ever feel happy in promoting your views. Pray let me know when Lady Hood may be expected here. What wonderful news from Europe! It appears more like a dream than reality. Britain stands in a very commanding attitude, for it is owing to her noble perseverance that Europe has been rescued, and the blessings of a general peace restored. I shall be very glad to hear from you when leisure permits, being,

My dear Sir,

With great regard,

Yours, &c.

(Signed) J. FRIES.

(No. 4.)

To Sir William Rumbold, Bart.

Letter from Lord Mona.

My dear Sir William:

The account you have given of the house of Palmer and Co. at Hyderabad is very favourable, and certainly the details justify your inclination for going to that city, in order to inspect the books. I enclose you a letter to the Resident, couched in terms which will ensure to you his attentions and most earnest good

Letter from Lord Moira.

offices. The partners speculate, that you being one of the firm will interest me in the welfare of the house, to a degree which may be materially beneficial to them: it is a fair and honest calculation. The amount of advantage which the countenance of Government may bestow must be uncertain, as I apprehend it would flow principally from the opinion the natives would entertain of the respect likely to be paid by their own Government to an establishment known to stand well in the favour of the Supreme Authority here. Perhaps a more distinct benefit may attend the firm, from the consequent discouragement to competition with you, by any other British partnership, to which a similarly professed sanction would not be granted. It is on the ground of the service to the Nizam, at the request of our Resident, that I have consented to let the good wishes of Government for the prosperity of this firm be signified. No new establishment could have such a plea.

Believe me, &c.

Camp, at Kurnaul,
4th January 1815.

(Signed) MOIRA.

As leave of absence from the Presidency will be necessary on account of your magisterial functions, it shall be notified by Mr. Ricketts.

(No. 5.)

Letter from Messrs. William Palmer and Co. to his Excellency the Governor-General, dated 27th June 1816. Vide page 3.

(No. 6.)

License to Messrs. William Palmer and Co., dated 23d July 1816. Vide page 5.

(No. 7.)

.Letter from Mr. Secretary Adam to Henry Russell, Esq., Resident at Hyderabad, dated 23d July 1816. Vide page 6.

Letter from Mr. Secretary Adam to Messrs. William Palmer and Co., dated 23d July 1816. Vide page 5.

(No. 8.)

Letter from C. T. Metcalfe, Esq.

To Sir William Rumbold, Bart.

My dear Sir William:

You will be happy to hear, that it is determined not to interfere in your arrangements with the Nizam, further than to prevent your taking any part in collecting the revenue of the assigned districts.

Yours sincerely,

9th. (Signed) C. T. METCALFE.

(No 9.)

Letter from Messrs. William Palmer and Co. to Henry Russell, Esq., Resident at Hyderabad, dated 12th October 1819. Vide page 21.

(No: 10.)

Letter from H. Russell, Esq.

To William Palmer, Esq.

My dear Palmer:

I have sent the papers to the Residency to have the remainder of them copied, and directly that is done I will send them off. I return you the letter to Sir William, agreeing in every thing you have said in it. The openness with which you have come forward to exhibit the whole detail of your transactions in the Aurungabad concern, ought to operate powerfully in favour of the house; but no mercantile establishment ought, in common justice, to be exposed to a scrutiny of this inquisitorial character. Sir William, I should hope,

hope, would be able to prevail on Lord Hastings, if this captious cavilling spirit continues to be displayed, to say, that whenever any substantial objection is urged, he will call on the house to explain it, but that he cannot consent to call on them for an indiscriminate exposure of their concerns, merely under the expectation that some ground of objection may be discovered in them. Such a practice is subversive of the very basis on which society is founded.

Letter from H. Russell, Esq.

Yours very truly,

October 30th. (Signed) H. RUSSELL.

(No. 11.)

(Extract.) To Sir William Rumbold, Bart.

Letter from C. T. Metcalfe, Esq.

My dear Sir William:

Before you receive this, you will have found the questions contained in your letter of the 14th ultimo fully answered at Hyderabad. After a little discussion, it was determined that, consistently with the resolution of Government not to take cognizance of your arrangement with the Nizam, there was no plea for scrutinizing or recording the accounts, they therefore were returned to Hyderabad, after passing in circulation among the Members of Government. I hope and believe that the question is at rest; and I do not see any probability of the revival of any correspondence on the affairs of the house at Hyderabad, unless it originate there.

Barrackpore, 3d February 1820. (Signed) C. T. METCALFE.

(No. 12.)

Private-Official.

Letter from C. T. Metcalfe, Esq., Resident at Hyderabad, to Messrs. William Palmer and Co., dated 1st January 1821. Vide page 145.

(No. 13.)

Letter from Messrs. William Palmer and Co. to C. T. Metcalfe, Esq., in reply, dated 15th January 1821. Vide page 146.

(No. 14.)

Letter from C. T. Metcalfe, Esq. to Messrs. William Palmer and Co., dated 19th March 1821. Vide page 197.

(No. 15.)

Letter from Messrs. William Palmer and Co. to C. T. Metcalfe, Esq., in reply, dated 14th April 1821. Vide page 198.

(No. 16.)

To Sir William Rumbold, Bart.

Letter from the Marquis of Hastings.

My dear Sir William:

It is difficult for me to make you comprehend the unpleasant discussions which have been within this fortnight past recorded, with regard to the pecuniary engagements between the house of William Palmer and Co. and the Nizam. The whole has originated in these underhand suggestions of Mr.————, which a false delicacy towards him prevented my exposing. They made impressions on others, who, acting on the erroneous persuasion, staked themselves in a manner which makes them flounder obstinately now, in order to preserve consistency. Much advantage is given to them by an apparent (I am sure not a real) want of frankness on the part of your house. I apprized you long ago that it was expedient for the firm to define, upon oath, whether or not any British

Letter from the Marquis of Hastings.

British public functionary had at any time had pecuniary transactions with the house which could influence him in countenancing your dealings with the Nizam's Government. The evitation of so simple a declaration is aukward, even in the eyes of me, who have so strong a belief in the honour of your proceedings. Though Mr. Stuart declared he had never thrown on Mr. Russell the imputation of a secret understanding with you, peculiar circumstances convince me that such a suspicion was communicated to persons at home, and was received with ready faith.

It depends on the house whether I also must not admit doubts.

Sincerely yours,

(Signed) HASTINGS.

Barrackpore,
10th June 1821.

(No. 17.)

Declaration of Mr. William Palmer.

I am prepared to make oath and declare, that the partners of our house at Hyderabad, styled Messrs. William Palmer and Co., are as follows: William Palmer, Sir William Rumbold, Hastings Palmer, and George Lamb: That there are no other partners, and that no public functionaries, here or elsewhere, have any personal interest, directly or indirectly, in our concerns: That when Sir William Rumbold went to Calcutta last year, we heard that it had been reported that Mr. Russell had some interest in our house. Sir William Rumbold was authorized at that time, and was anxious to declare upon oath, what I am now ready to declare, that Mr. Russell has not, and never has had, any personal interest in our concerns.

(Signed) W. PALMER.

Hyderabad,
23d December 1820.

(No. 18.)

Letter from Mr. Wm. Palmer.

EXTRACT *of a Letter from Mr. William Palmer to Mr. John Palmer.*

I do not know in what terms to defend the Aurungabad arrangements. I have all along believed that establishment to combine with it objects of public importance to the Company's Government. I am put to some difficulty to justify a measure which I have only viewed on one side of the question, and by which I have endeavoured to acquire credit with the Government, and to procure from this very service their support for the other branches of our establishment; I can therefore merely describe the situation of things in the recent termination of the late war which led to a proposition to us from Captain Sydenham, that we should carry a branch of our establishment to Aurungabad, for the express purpose that pay might be issued with regularity to the troops. The troops on the frontiers were paid from the revenues of certain districts allotted for this purpose to the Governor of Berar. The collections from these districts were called in tardily and at distant periods, subjecting the troops to be thrown into long arrears; and as the resources of the native mercantile men, or their want of competent security, precluded them from obviating this difficulty, we were resorted to for this purpose by Captain Sydenham (in a private letter) about two years ago. His proposal, at this time, carried with it an appearance of solely consulting our benefit; and being aware, from the character of the Governor of Berar, that arrangements made under this impression could not acquire for us a competent security, we declined engaging in the business, which was only subsequently undertaken by us on a second reference from Captain Sydenham to Mr. Russell and to me, stating the complete failure of Rajah Govind Buksh in the fulfilment of his engagements, and from my knowledge that our aid was essential to support the military establishment formed by the Resident. That it was received in this light by Mr. Russell, and that he acknowledged our engagement a public benefit, are matters for his consideration; and I confidently expect a public avowal, from the character of Mr. Russell, of what I have always privately understood from him. I repeat that, with a view to the credit attainable from the Company's Government for our proceedings, and the consequent security to be derived to

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Letter from Mr. Wm. Palmer.

our other transactions from that circumstance, I readily transferred a large amount of employed capital from this place to Aurungabad, at a considerable loss: and so small was the pecuniary advantage which we expected to derive from the Aurungabad establishment, compared with the employment of our capital in other transactions, that we were almost exclusively induced to it, from the belief that, in so doing, we promoted the views of the Company's Government in an important public object, and thereby strengthened our claims to their protection.

Hyderabad,
27th July 1819.

(Signed) W. PALMER.

(No. 19.)

EXTRACT *of a Letter to Lord Hastings, dated 22d December* 1820.

Letter from Sir Wm Rumbold, Bart.

I enclose a declaration made by Mr. Palmer, and to which he is ready to swear if you wish it. I trust it will be satisfactory in proving, that whatever support we have received from public officers, has been disinterested, and from a view of justice to us. I will, however, beg of your Lordship merely to use this paper in the event of your wishing to send it to England. Of course our inclination, as well as our duty, would lead us at all times to give your Lordship any information you require; but we should not like such a declaration to be used officially in Calcutta, because we might be liable to be perpetually called upon in the same way. Our objections to this are upon the same ground which I urged in Calcutta last year, requesting that we might not be called upon to produce our private accounts in Council. As mercantile men, we have no right to publish the affairs of those persons who transact business with us; and if the Council were to assume the right of making demands of this nature from us, our request to be exempted from affording the information required upon any occasion, might excite suspicions as to our motives which they would not deserve.

Your Lordship may remember, that after the Council had in compliance with our request, agreed to dispense with the production of the papers above referred to, we did lay them before the Council, and thereby proved that our objections were not to the inspection of our papers, but to the being called upon to produce them: for these reasons, I entreat your Lordship not to call for Mr. Palmer's affidavit, unless it be for your private satisfaction, or for the purpose of sending it to England.

I have, &c.

(Signed) WILLIAM RUMBOLD.

(No. 20.)

Affidavit of William Palmer, Esq. and Sir William Rumbold, Bart., dated 26th June 1821. Vide page 158.

(No. 21.)

To the Most Noble the Marquis of Hastings, &c. &c. &c.

Letter from Sir Wm. Rumbold Bart.

My dear Lord:

I trust the enclosed affidavit will satisfy your Lordship, that any backwardness we may have shewn to make the declaration required, did not arise from any such motive as you have thought possible. It is a difficult thing for people who have had such ruinous and extensive transactions to take so sweeping an oath. If I could have said roundly, that none but the partners of the house had had any advantage in any of our dealings, I should have sent the declaration long ago; but this I could not do: for we have frequently been obliged to resort to friends for accommodations, and if we have given them any benefit for their assistance, it has been from motives purely disinterested and honest. The enclosed paper proves that those friends have not been the persons whom it is your

Letter from Sir Wm. Rumbold, Bart.

your object to be satisfied about, and it would be very hard that we should be obliged to injure them by our declaration. I say, "injure them," because nearly any person in this country may be termed a public functionary, being in the Company's civil or military service; and I believe, strictly speaking, on such persons ought to have any dealings, which could be in any way construed into mercantile ones, and that if we were not to make the exception we have made we should find it difficult to take the oath at all.

I have, &c.

Hyderabad, 26th June 1821. (Signed) WM. RUMBOLD,

(No. 22.)

To Sir William Rumbold, Bart., Madras.

Letter from Resident at Hyderabad.

Sir:

I transmit herewith a copy of a letter this day received from the Supreme Government, the observations contained in which I am directed to communicate to you.

I have, &c.

Hyderabad Residency, Camp Chinchaul, 8th May 1823. (Signed) C. T. METCALFE.

(No. 23.)

Letter from Mr. Secretary Swinton to Sir C. T. Metcalfe, Bart, dated 18th April 1823. Vide page 492.

(No. 24.)

Letter from Sir William Rumbold, Bart., to Sir C. T. Metcalfe, Bart., dated Madras, 10th June 1823. Vide page 580.

(No. 25.)

Letter from C. T. Metcalfe, Esq., Resident at Hyderabad, to Messrs. William Palmer and Co., dated 21st December 1822. Vide page 358.

(No. 26.)

Letter from William Palmer, Esq., to C. T. Metcalfe, Esq., in reply to the foregoing, dated 24th December 1822. Vide page 358.

Bengal Political Letter, 31 Oct. 1823.

POLITICAL LETTER *from* BENGAL,

Dated the 31st October 1823.

1. On the 27th ultimo we had the honour to receive your letter of the 9th of April last.*

2. In obedience to the orders of your Honourable Court, we have published in the Government Gazette, and communicated to the subordinate Governments and to the Residents and Political Agents at the Native Courts, the instructions and explanation conveyed in the third and fourth paragraphs of your Honourable Court's letter regarding illegal loans, and directing the prosecution of British subjects who may contravene the law in that respect.

3. Previously to promulgating the notice above adverted to, we deemed it expedient to consult the Advocate-General on certain points connected with the subject of your Honourable Court's commands, on which we were desirous of receiving more particular information. We beg leave to refer your Honourable Court to the accompanying copies of our letter to Mr. Fergusson, and his reply. In cases of a contravention of the law by British subjects residing in a foreign territory

* Vide page 104.

territory where they cannot be made amenable to the process of his Majesty's courts, the institution of a prosecution against them will, it is to be feared, be generally attended with much difficulty and with very doubtful success.

Bengal Political Letter, 31 Oct. 1823.

4. We do not conceive that it was the intention of your Honourable Court to give a retrospective effect to your orders regarding prosecutions for the misdemeanour therein mentioned, and we have accordingly confined our proceedings in the case of Mr. Lamb, the European partner in the house of Messrs. William Palmer and Co., to requiring him to quit Hyderabad by the end of December next, and to return to England; with an intimation, that if, after the notice he will now receive of the illegality of the transactions in which he has been engaged as a partner of the firm, he shall continue to be concerned in such transactions, he will subject himself to the penalties of the law.

5. As being connected with the subject of this letter, we avail ourselves of the present opportuniny to transmit, as numbers in the packet, the series of dispatches from the Resident at Hyderabad, and of our instructions in reply, since the date of our last address to your Honourable Court on the subject of Hyderabad affairs. We shall have the honour, hereafter, to report the result of the Resident's proceedings under those instructions, the tenour of which, we trust, will be approved by your Honourable Court.

We have, &c.

(Signed) AMHERST,
JOHN FENDALL.

(Enclosure No. 1.)

To R. C. Fergusson, Esq., Advocate-General.

Letter from Secretary to Government.

Sir:

1. I am directed to transmit to you the enclosed extract from a letter from the Court of Directors, under date the 9th April last, with the case therein referred to, and to desire that you will state your opinion, as to the course of instituting a prosecution for a misdemeanour against British-born subjects contravening the law, as explained by his Majesty's Attorney and Solicitor-General and the Company's Counsel, where the offence shall be committed by such persons residing out of the Company's territories. You will also be pleased to state your opinion, as to the expediency of instituting a prosecution in such cases, considered with reference to the practicability of obtaining the attendance of the necessary witnesses, whether subjects of the state in which the offence has been committed, or British subjects resident in the territories of such State.

2. You will further state your opinion, whether the misdemeanour in question, namely, lending money, and taking a higher rate of interest than twelve per centum per annum, whether to individuals generally, as prohibited by the 13th George III., cap. 63, sec. 30, or to Native Princes, as prohibited by the 37th George III., cap. 142, sec. 28, can be considered an offence of that heinous description which, according to the usages in Europe, would justify the British Government in applying to the Government of the foreign State in which the offence had been committed, to seize and surrender up the offender to the officers of the Court charged with the execution of the legal process, and deputed to the frontier for that purpose.

3. You will also be pleased to draw up and submit to Government, the form and mode of publishing, for general information, the explanation and instruction adverted to in the concluding paragraph of the Honourable Court's letter.

4. You are further requested to state your opinion as to the description of persons comprehended within the terms, "subjects of his Majesty in the East-"Indies;" and as to the liability of the native or country-born partners of a mercantile or banking-house to punishment for contravening the statutes quoted in the case, on which latter point it appears the law authorities at home are doubtful.

5. The Governor-General in Council will be happy to receive, at the same time, your sentiments on the general question, with such observations and suggestions,

Enclosures in Bengal Political Letter, 31 Oct. 1823.

gestions as the subject may appear to require, and with advertence to the opinions stated in the accompanying letters of the former Advocate-General, under dates the 19th July 1816 and 14th February 1823.

6. You are requested to return the documents now sent to you, with your answer to this letter.

I have, &c.

Council Chamber,
3d October 1823.

(Signed) G. SWINTON,
Secretary to Government.

(Enclosure No. 2.)

To George Swinton, Esq., Secretary to the Government.

Letter from Advocate-General.

Sir :

1. In reply to your letter of the 3d instant, I have the honour to state, for the purpose of being submitted to the Right Honourable the Governor-General in Council, that British-born subjects offending against the provision of the Act 37th George III., cap. 142, sec. 28, although the offence be committed out of the Company's territories, and by persons residing out of those territories, may be prosecuted in his Majesty's Courts in India, when they can be made amenable to the process of such Courts. There might, of course, be difficulties in procuring the attendance of witnesses to prove the offence, our Courts having no power to compel the attendance of witnesses residing in a foreign territory.

2. I am of opinion, that the misdemeanour in question, namely, lending money, and taking a higher rate of interest than twelve per centum per annum, whether to individuals or to Native Princes, cannot be considered an offence of that heinous description, which, according to the usages of Europe, or the general principles of public law, would justify the British Government in applying to the Government of the foreign State in which the offence had been committed, to seize and surrender up the offenders.

3. The terms, "subjects of his Majesty in the East-Indies," as construed by the Supreme Court, are held to include, not only his Majesty's European subjects, but all persons, sons of British fathers, born in wedlock in the East-Indies, without regard to the description or country of the mother; but persons born out of wedlock, although the sons of British fathers, and born within the Company's territories, have been held not to be included within the terms "British "subjects," or "subjects of his Majesty," which are used indifferently throughout the Acts of Parliament.

4. With respect to the liability of country-born partners of a mercantile or banking house to punishment, for contravening the statutes referred to, and on which the law authorities at home appear to be doubtful, I am decidedly of opinion, that persons of that description are not liable to prosecution or punishment for any such Acts.

I have, &c.

Fort-William,
13th October 1823.

(Signed) R. C. FERGUSSON,
Advocate-General.

(Enclosure No. 3.)

Notification published in the Government Gazette.

Notification published in Government Gazette.

(Political Department, 17th October 1823.)

The following extract from a letter from the Honourable the Court of Directors, under date the 9th April 1823, is ordered to be published for general information.

Par. 3. "You will observe, that we are advised by these high legal authori-"ties, that the restriction contained in the 30th section of the Act, 13 "Geo. III, cap. 63, which restrains the rate of interest to twelve per cent., "extends to contracts made, as well in those parts of the East-Indies which "are not under the Government of the East-India Company, as in those which

are :

Enclosures in Bengal Political Letter, 31 Oct. 1823.

Notification published in the Government Gazette.

" are: that the same restriction extends to loans made to Native Princes and " Governments in the East-Indies, as well as to those made to individuals, whe- " ther the contracts for such loans be made or carried into execution within or " beyond the territories under the government of the East-India Company: " that the same restriction extends to loans made under a licence from the " Governments in India, pursuant to the 37th George III. cap. 142, sec. 28, " and that it is not lawful for a mercantile or banking partnership, consisting " partly of natives of India and partly of European-born subjects of his Majes- " ty, to make a loan to a Native Prince, contrary to the provisions of 37th " Geo. III., cap. 142, sec. 28, whether the contract for such loan be made or " carried into execution within or beyond the territories under the government " of the East-India Company: that, in either case, the contract of the house " would be void, and that the European-born partners would be liable to be " prosecuted for a misdemeanour."

4. " We desire that you will cause this explanation and instruction to be " made public, and that you will institute prosecutions against all persons in " any way contravening the law as thus explained."

By command of the Right Honourable the Governor-General in Council.

(Signed) G. SWINTON,
Secretary to Government.

(Enclosure No. 4.)

(Circular.)

Circular from Secretary to Government.

To Major-General Sir D. Ochterlony, Bart., G.C.B., Resident at Malwa and Rajpootana.

Political Department.

Sir:

I am directed to transmit to you the enclosed Extract from a letter from the Honourable the Court of Directors, under date the 9th April last, and to desire that you will promulgate the contents to all whom it may concern.

I have, &c.

Fort-William, 17th October 1823.

(Signed) G. SWINTON,
Secretary to Government.

The same to the Resident at Catmandoo,
..... Lucknow,
..... Gwalior,
..... Indore,
..... Nagpore,
..... Hyderabad,
..... Singapore,
Agents ..... Delhi,
..... Bhopaul,
..... Bundlecund,
..... Sugur and Nerbudda Territories,
..... Benares,
..... Sumbulpore,
..... Moorshedabad,
Commissoners Kamaon,
..... Rungpore.

(Enclosure No. 5.)

To George Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad

Sir:

1. I have the honour to acknowledge the receipt of your despatch of the 4th instant.*

2. None of the allowances therein noticed were pensions to disabled soldiers on account of service or wounds. I state this as according with the information I at

* Vide Enclosure No. 3. page 577.

Enclosures in Bengal Political Letter, 31 Oct. 1823.

Letter from Resident at Hyderabad.

I at present possess: if further knowledge lead to a different conclusion, I shall be happy to rectify my mistake.

3. The fiction of the sixty-lac loan will be made manifest by the detailed accounts which have been transmitted.

4. I am apprehensive that Rajah Chundoo Loll will never be induced voluntarily to disband the entire body of Sikhs retained by him for his own purposes, at the expense of the State. He seems to think that both his power and his life depend on his having a body of that tribe at his command.

I have, &c.

Hyderabad, Residency, 21st July 1823. (Signed) C. T. METCALFE, Resident.

(Enclosure No. 6.)

Letter from Resident at Hyderabad.

To George Swinton, Esq., Secretary to Government.

Sir:

I have the honour to transmit a copy of a letter from Mr. Gordon, regarding the circumstances of Mrs. Gee, Mrs. Paisley, and Mademoiselle Boutet, whose pensions from the Nizam's Government are suspended, for the final decision of the Honourable the Governor-General in Council.

I have, &c.

Hyderabad Residency, 22d July 1823. (Signed) C. T. METCALFE, Resident.

Letter from Mr. E. Gordon.

To Sir Charles T. Metcalfe, Bart., Resident, Hyderabad.

Sir:

I have the honour to acknowledge the receipt of your letter of the 4th instant.

In compliance with your request, and for the satisfaction of the Supreme Government, I now proceed to state the only property possessed by the ladies who are in the receipt of pensions from the Nizam's Government, and which, I trust, will not be the means of depriving them of the pensions they now receive.

Mrs. Gee has invested in a Government promissory note the sum of Sicca Rupees 6,800, bearing interest at six per cent. per annum, the amount of a public subscription in her favour, which yields a monthly income of Madras Rupees 36. 3. 4.; in addition to which she is entitled to the benefit of Lord Clive's Fund, as the widow of a captain.

Mrs. Paisley possessed in the late loan the sum of Sicca Rupees 20,100, also the amount of a public subscription; but on its being renewed into the present loan, she can only be said to possess in Government security the sum of Sicca Rupees 14,100, bearing interest at five per cent. per annum, the remaining Sicca Rupees 6,000 being payable in cash, and upon which she may obtain upon private security five per cent. per annum, which will yield her a monthly income of Madras Rupees 87. 7. 3.

Miss Boutet is entirely dependent on the pension she receives from the Nizam's Government.

I have, &c.

Madras, 16th July 1823. (Signed) EDWARD GORDON.

(Enclosure No. 7.)

Letter from Secretary to Government.

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Sir:

1. I am directed to acknowledge the receipt of your despatch of the 22d ultimo, submitting a copy of a letter from Mr. Gordon, relative to the circumstances of Mrs. Gee, Mrs. Paisley, and Mademoiselle Boutet, whose pensions have

Enclosures in Bengal Political Letter, 31 Oct. 1823.

Letter from Secretary to Government.

nave been suspended, and to communicate to you the following observations and orders of the Governor-General in Council.

2. You are already apprized of the sentiments of disapprobation with which the Governor-General in Council regarded the irregularity and abuse which had taken place, with respect to British subjects obtaining, through improper influence with the Minister, grants of allowances from his Highness's Government. The pensions enjoyed by the mother and widow of the late Mr. Gordon ought to have terminated with their lives, and the division and continuance of those allowances among other connexions of the family on their demise, must be considered as extremely objectionable, and what never could have received the sanction of the British Government. Under these circumstances, his Lordship in Council would have deemed it incumbent on him to prohibit the future payment of such allowances from your Treasury, even had it appeared that the parties in whose favour they were granted were in a more destitute condition than the ladies in question can be considered to be. Having relations or connexions who are their natural protectors and capable of supporting them, the Governor-General in Council feels himself entirely precluded from sanctioning, by his concurrence in the measure, the further receipt by those ladies, from the exhausted coffers of another Government, of stipends to which they have no just pretensions. Were their title to succeed to the pensions of individuals, who themselves only derived a claim to them from the services of a relation, to be admitted, it is obvious a precedent would be established, that would sanction the most unreasonable expectations, on the part of the relatives and connexions of every person enjoying a pension from the Nizam's Government, which naturally lapses with his own life.

I have, &c.

(Signed) G. SWINTON,
Secretary to Government.

Fort-William,
29th August 1823.

(Enclosure No. 8.)

To George Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

1. I have the honour to submit copies of a letter addressed to Messrs. William Palmer and Co., and of their reply, on the subject of the fictitious sixty lac loan.

2. You will observe, that my letter of the 8th August is not answered till the 19th.

3. Their reply is similar to every production that comes from that quarter, shuffling and evasive, and in my opinion completely confirms the conclusion before drawn respecting that fraudulent transaction.

4. Instead of stating what sums they did actually advance on account of that pretended loan, they argue that it ought to be inferred, that there must have been a loan to the Nizam's Government, because they were themselves obliged to obtain funds. This is by no means a necessary conclusion: for having above sixty lacs locked up in the hands of the Nizam's Government, and having still to feed, for their own advantage, the Minister's lavish waste, and having also to supply, for their own profit, the wants of others with whom they had dealings, there were abundant reasons why they should endeavour to obtain additional funds.

5. The assertion, that a sum of between four and five lacs is all that can be considered as a transfer of old debt, does not require any comment. How they could venture on such an assertion in the face of their own accounts, is utterly incomprehensible.

6. The pretence, that the transfer of the whole balance of twenty or twenty-one lacs, on account of Berar Suwars, was equivalent to a cash payment, is too preposterous to require remark. This point has been discussed in one of my former despatches.

7. In the document herewith transmitted, Messrs. William Palmer and Co. state, that the bonus of eight lacs was intended to cover them from eventual loss

on

Enclosures in Bengal Political Letter, 31 Oct. 1823.

on account of their exclusive responsibility. In their accounts it was represented as compensation for reduction of interest.

8. I apprehend that their explanation cannot be deemed satisfactory; I shall, therefore, proceed to execute the instructions which I have lately received regarding them.

I have, &c.

Hyderabad Residency,
21st August 1823.

(Signed) C. T. METCALFE,
Resident.

Letter from Resident at Hyderabad.

To Messrs. William Palmer and Co.

Gentlemen:

It appearing from your accounts, that at the time when you obtained the sanction of the British Government for a loan of sixty lacs of rupees to the Nizam's Government, that transaction was effected by a transfer of fifty-two lacs from your former Hyderabad account to a new account, with the addition of eight lacs bonus, as a compensation for reduction of interest on the said fifty-two lacs from two per cent. per mensem to one and a-half per cent. per mensem, and there being no appearance of any payment at that period which can be considered as a loan of sixty lacs, or any other specific sum, I am directed by the Honourable the Governor-General in Council to call on you to state, whether the conclusions above noticed, as drawn from your accounts, be correct or otherwise, or to furnish any explanation of that transaction that you may judge to be satisfactory.

I have, &c.

Hyderabad Residency,
Bolawram,
8th August 1823.

(Signed) C. T. METCALFE,
Resident.

Letter from Messrs. W. Palmer and Co.

To Sir Charles T. Metcalfe, Bart., Resident, &c. &c. &c., Hyderabad.

Sir:

We have the honour to acknowledge the receipt of your letter of the 8th August.

We beg to submit to you, for the consideration of the Right Honourable the Governor-General in Council, that the whole of the loan of sixty lacs of rupees was not a transfer of an old account, but was a new loan negociation, and was supported by the several payments in cash, or otherwise, which follow the balance of Rupees 4,63,979 $2\frac{1}{4}$ annas, as exhibited in our accounts.

We beg further to state, that we conceive the misapprehension of the Government has arisen from the manner in which our accounts have been kept, and which was unavoidable, from the circumstance, that the negociation for the loan was in progress prior to the termination of the year, at which time the Minister could not fulfil his part of the engagements; and all entries of payments by us, made in anticipation, were necessarily debited to him in his general accounts till the end of the year, when the new loan account was distinguished.

We have already had the honour to submit to you the circumstances of the transfer of Rupees 20,57,219. 7 annas on account Berar Suwars, which we have always considered (being in fact a return of the Minister's own assets) as equivalent to a cash payment. Our letter of the 14th October 1822 having already explained the nature of this claim against the Nizam's Government, we will not intrude upon your time by any further details.

The balance of Rupees 4,63,979. $2\frac{1}{4}$ annas, above referred to, could alone be considered, in fact, as the transfer of an old debt.

We beg further to be permitted to call your attention to the notoriety, and to the circumstances which attended the negociation of this loan.

We invited our commercial correspondents in Calcutta and Madras to engage with us in the transaction. We made a similar reference to the native bankers at this place, with whom we had a commercial intercourse. Our proposition was declined by European houses of business, and was acceded to by the native

native bankers only, on our agreeing to a total change of the rates of dealings which had subsisted between us. They proposed to accommodate us with their funds, provided the former balances at their credit, in common with the advances then made to us, were held by us at sixteen per cent. per annum, instead of nine and twelve per cent. as formerly. As their funds were even thus invested on current accounts, they took advantage of our pecuniary embarrassments, and raised the interest on the bulk of their property, by repeated transfer to twenty-one and twenty-four per cent., which was the general rate of interest allowed by us to them, till the advances from your Treasury enabled us to adjust their accounts in June and July last.

Enclosures in Bengal Political Letter, 31 Oct. 1823.

Letter from Messrs. W. Palmer and Co.

We hope it will be admitted, that had the loan been the transfer of an old account, we neither could have had the necessity, nor any purpose, in resorting to the market for money, when its immediate tendency was not only to subject us to a higher rate of interest on what we then borrowed, but on all former balances.

We beg to submit to you, that about one half of the amount of our loan was thus borrowed, and, although in the occupation of the monied men of this place, it was held unprofitably by us on our exclusive responsibility, occasioning the necessity of a bonus to cover us eventually from loss.

We have, &c.

Hyderabad, 19th August 1823. (Signed) W. PALMER and Co.

(Enclosure No. 9.)

To George Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

With reference to the seventh paragraph of your despatch of the 31st ultimo,* I have the honour to inform you, that the accounts of Messrs. William Palmer and Co. were admitted by Rajah Chundoo Loll previously to their submission for the information of Government.

I have, &c.

Hyderabad Residency, 25th August 1823. (Signed) C. T. METCALFE. Resident.

(Enclosure No. 10.)

To George Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

1. With reference to the seventh paragraph of the minute† of the Honourable the late Governor-General, received with your despatch of the 31st ultimo, I beg leave to remark, that my statement, therein alluded to, was a loose estimate, not intended to be precise.

2. The demand of the house of William Palmer and Co. against the Nizam's Government varies so considerably from time to time, by the accumulation of enormous interest or otherwise, that it is only on a final settlement of accounts that it can be accurately stated.

I have, &c.

Hyderabad Residency, Bolarum, 26th August 1823. (Signed) C. T. METCALFE, Resident.

(Enclosure No. 11.)

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Letter from Secretary to Government.

Sir:

1. I am directed to acknowledge the receipt of your despatch of the 21st ultimo, submitting, with your observations, a copy of a letter addressed by you to

* Vide Enclosure No. 9, page 705.

† Vide Enclosure No. 6, page 701.

Enclosures in Bengal Political Letter, 31 Oct. 1823.

Letter from Secretary to Government.

to Messrs. William Palmer and Co., under the instructions of the 22d July last, and a copy of their reply.

2. The explanation now afforded by Messrs. William Palmer and Co., as anticipated in the instructions of the date above referred to, is considered to be entirely evasive and unsatisfactory; your intention, therefore, to proceed in the execution of your instructions is approved.

3. The futility of Messrs. William Palmer and Co.'s argument, regarding their transfer of the balance of the Berar Suwar account being equivalent to a payment in cash, has been fully exposed in your despatch of the 14th June, and is undeserving of further notice. With respect to their assertion, that their proposition to English houses of business at Madras and Calcutta, to engage with them in the sixty-lac loan was declined, and that it was acceded to by native bankers only, on certain conditions, the Governor-General in Council desires to know, whether by such assertion Messrs. William Palmer and Co. mean to say that no members of European houses of business, or other English gentlemen, through their agency or otherwise, contributed to the loan in question. The fact to the contrary is notorious.

4. The Governor-General in Council awaits your report of the result of the communication, which you were at the same time directed to make to the Minister Rajah Chundoo Loll.

5. Your despatches of the 25th and 26th ultimo, the former referring to paragraph seven of the instructions of the 31st July, and the latter reporting that the statement alluded to by the late Governor-General was merely a loose estimate, have also been received, and do not appear to require any particular observations.

I have, &c.

Fort-William,
19th September 1823.

(Signed) GEORGE SWINTON,
Secretary to Government.

Letter from Resident at Hyderabad.

(Enclosure No. 12.)

To George Swinton, Esq., Secretary to Government.

Sir:

1. I have the honour to submit copies of correspondence with Messrs. William Palmer and Co., relating to a claim, on their part, against Umeen ool Moolk, as the security of Shah Yar ool Moolk.

2. I thought it right, in the first instance, to ascertain, whether the Nizam's Minister had guaranteed the engagements entered into by Umeen ool Moolk.

3. Messrs. William Palmer and Co. wish it to be understood, that there was a virtual guarantee on the part of the Minister, on the ground stated in their letter of the 23d instant. In addition, however, to the want of a positive guarantee on the part of the Minister, I have to mention, that previously to the period at which Umeen ool Moolk entered into these engagements, Rajah Chundoo Loll enquired of me, whether or not he should guarantee a similar arrangement, then in agitation, respecting the same debts, in which Rajah Sheopershaud was to have been Shah Yar ool Moolk's security. I replied, that the injunctions of the British Government were positive against sanctioning any fresh transactions on the part of Messrs. William Palmer and Co., and that he ought not to guarantee the arrangement then in progress. He afterwards informed me, that he had, in consequence, desisted therefrom. The negociation with Rajah Sheopershaud dropped, and when the arrangement with Umeen ool Moolk was effected, I distinctly understood from the Minister, that there was no guarantee on his part.

4. I comprehend the orders of the 31st ultimo as prohibiting any exertion, on my part, in favour of Messrs. William Palmer and Co.; but I submit the present question, lest there should be any misapprehension on my part in that conception.

5. Messrs.

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5. Messrs. William Palmer and Co. have free access to Umeen ool Moolk and Shah Yar ool Moolk, the persons concerned in this transaction; and there does not appear to be any present necessity for any interference, even if it were admissible. The former of those persons is the brother of Mooneer ool Moolk.

I have, &c.

Hyderabad Residency, 27th August 1823. (Signed) C. T. METCALFE, Resident.

Letter from Messrs. W. Palmer and Co.

To Sir C. T. Metcalfe, Bart. Resident, &c. &c. &c.

Sir:

We beg to be permitted to state to you, that Umeen ool Moolk, who has engaged to make us certain annual payments in discharge of our claims on Shah Yar ool Moolk, appears disposed to evade the performance of his engagements to us, on the plea that Shah Yar ool Moolk has failed in the completion of certain conditions of the engagements which subsist between him and Umeen ool Moolk, for the purpose of these payments being made to us. We beg to submit for your consideration, that we have no concern, and we are in no way parties to their engagements, of which we have, in fact, no knowledge, but from the verbal communications made to us by Umeen ool Moolk's vakeel; and that we have never understood those engagements to have been cancelled, but on the contrary were given to understand, about ten days ago, by Umeen ool Moolk's vakeel, that his principal did not deny our claims. We beg to say, that we have relied exclusively upon his guarantee, which, as far as we are concerned, is in no way conditional; and we submit, that it should be binding on Umeen ool Moolk, as it has superseded other measures, which might have been adopted for payment to us, and to which there can be no present recurrence without involving us in loss, inasmuch as three-fourths, or nearly, of the payments for the present year, must be inevitably withheld from us. We hope that the Persian copy of his engagements with us, which we have the honour to enclose, will be found to exhibit, that Umeen ool Moolk is personally and unconditionally bound to us for the payments of the kists for the period that he shall have held charge of Shah Yar ool Moolk's districts. We beg respectfully to request your attention to the circumstance, that the kist for Rujeeb has been over-due these four months, and the kist for Zecaud is now also due. We have now only ventured on the liberty of soliciting your interference to obtain justice for us, on the failure of our repeated applications to Umeen ool Moolk for payment.

We have, &c.

Hyderabad, 16th August 1823. (Signed) W. PALMER & Co.

Letter from Resident at Hyderabad.

To Messrs. William Palmer, and Co.

Gentlemen:

With reference to your letter of the 16th instant, I beg you to have the goodness to inform me, whether or not the Nizam's Government has guaranteed the engagements entered into by Umeen ool Moolk.

I have, &c.

Hyderabad Residency, 20th August 1823. (Signed) C. T. METCALFE, Resident.

Letter from Messrs. W. Palmer and Co.

To Sir C. T. Metcalfe, Bart., Resident, &c. &c. &c.

Sir:

We have the honour to acknowledge the receipt of your letter of the 20th August.

We beg to submit to you, that we consider the Nizam's Government to have guaranteed the payments from Umeen ool Moolk, not only by the tenor of our original engagements made with the Minister to that effect, but from the circumstance of the engagements with Umeen ool Moolk having been formed under the express direction of the Minister.

We beg further to submit to you a copy of our engagements with the Minister, in which he accedes to our request, that in the event of a failure on the part of Shah

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Shah Yar ool Moolk to perform the conditions of his agreement, that Naibs shall be appointed to his districts by the Minister, for the stipulated payments to us, under his own immediate control; and we consider the engagements made with Umeen ool Moolk, with his concurrence and under his direction, to stand in that relation.

We have, &c.

Hyderabad, 23d August 1823.

(Signed) W. Palmer & Co.

Enclosure *in a Despatch from the Resident at Hyderabad, dated 27th August* 1823.

Translation of a Representation addressed by Messrs. William Palmer and Co. to Rajah Chundoo Loll.

With the permission of (the Nizam's) Government we entered into money transactions with the Nawaub Yar ool Moolk, under the condition that, if the Nawaub could not pay his debts according to his bonds, your Excellency would appoint Naibs on the part of Government to collect the rents of the whole of the talooks forming his jaggeer, as below, and to pay the amount to us until the debt should be liquidated. We have accordingly before given in an engagement from the Nawaub Yar ool Moolk to the above effect. We have now to express our hope, that in the event of the Nawaub failing to discharge our dues, the Government will be pleased to act in the manner specified; and also, that until the whole of the amount of our debt is liquidated, the talooks specified below may not be transferred to the possession of any other party.

List of Talooks.

Tandore, Chitapore, Alpore, Syfabad, &c. Nundwar, &c. villages under charge of Nukkee Alee Khan, Nuzzeranah of Zemindars, and Nuzzur of Talooks, &c. Dated 27th Zeehijj in the year 1235 Hejira.

Order by the Minister.

If the money is not duly paid, undoubtedly Naibs will be appointed, on the part of the Sircar, to collect the rents of the whole of the talooks, and to pay the amount to the house, in liquidation of the debt: also until the debt has been completely discharged, the talooks shall not be assigned or transferred to any other party.

(Enclosure No. 13.)

Letter from Secretary to Government.

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Sir:

1. I am directed to acknowledge the receipt of your despatch of the 27th August, submitting copies of a correspondence with Messrs. William Palmer and Co. relative to their claims against Umeen ool Moolk (brother of Mooneer ool Moolk), as the security of Shah Yar ool Moolk, and to communicate to you the following observations and orders of the Governor-General in Council.

2. Under the orders of the Honourable the Court of Directors of the 24th May 1820, the Governor-General in Council is positively prohibited from interposing, in any way whatever, the name, authority, influence, or good offices of any sort, of the British Government, for the furtherance of any demand which Messrs. William Palmer and Co. may bring forward. With advertence, therefore, to those orders, and to the instructions lately issued to you, under date the 31st July last, you will consider yourself to be strictly prohibited from interposing with the Nizam, or his Ministers, in favour of any demands by Messrs. William Palmer and Co. against all individuals whomsoever. No interdict exists against the intercourse of the house with any one except the ministers of his Highness the Nizam; and it is, of course, open to Messrs. William Palmer and Co. to apply for redress to the tribunal of justice, which, it appears by Mr. Russell's letter of the 1st September 1820, has been established at Hyderabad, and which is also alluded to in your despatch of the 30th September 1822.

3. In

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Letter from Secretary to Government.

3. In the event of Messrs. William Palmer and Co. being desirous to appeal from the decision of the court of justice to the Government of the Nizam, the Governor-General in Council conceives that, under the existing restrictions against their direct intercourse or communications with the Minister of his Highness, it will be equitable to permit them to address written representations to the Government through the British Resident, and to receive the Minister's reply through the same channel. This procedure, indeed, is consistent with the tenor of your communication to the house, as reported in your letter of the 20th February last, in which you inform them that you will, at all times, be happy to receive any communication that it may be proper for you to make to his Highness's Government, and you trust that they will find that due attention is paid to their just claims and interests.

4. With respect to the special transaction between the house and Umeen-ool Moolk, now under consideration, the Governor-General in Council observes, that it cannot be considered to be one which the British Government is in any way pledged to adjust, the Minister having declared that it was not guaranteed by him: but even supposing such a guarantee to have originally existed, any claim of the house to our intervention would have been justly forfeited by the act, on their part, of allowing so long a period to elapse, since they were directed to bring all such transactions to a close.

5. Finally, it is to be observed, that admitting that the demand of Messrs. William Palmer and Co. against Umeen-ool Moolk was one in which the British Government might deem it expedient to interpose, for the purpose of bringing to an adjustment all pecuniary transactions of a public nature between the house and individuals, under the guarantee of the Minister, it would still have been necessary, with advertence to the recent declaration respecting the illegality of loans at a rate of interest exceeding twelve per cent. per annum, to require Messrs. William Palmer and Co. to limit their demand for interest to that rate, since the British Government could not have consented to be the channel of forwarding an illegal claim.

I have, &c.

Fort-William,
17th October 1823.

(Signed) GEO. SWINTON,
Secretary to Government.

(Enclosure No. 14)

To George Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

1. There is a general question regarding the affairs of Messrs. William Palmer and Co., arising out of the existing state of things, which I beg leave to submit separately for the commands of the Right Honourable the Governor-General in Council.

2. That firm is precluded from communication with the Nizam's Government, otherwise than through the Resident: it is also excluded from the support of the British Government. There are no courts of justice that deserve the name in the Nizam's territories. Messrs. William Palmer and Co. have hitherto been all powerful against debtors, by influence, by the exercise of positive force, and by the subserviency of Rajah Chundoo Loll: but it is difficult to say how, under the novel circumstances of their present predicament, their just demands are to be prosecuted.

3. Be it supposed that any of the debtors of the firm presume on the altered circumstances of its situation to withhold payments which they are able to make, if an appeal to the Nizam's government or an appeal to the British Resident be alike prohibited, to what quarter can the firm appeal?

4. An ordinary commercial concern, exercising no influence over the Minister, might be safely left to make its application to the Government in case of need: but I am of opinion, that it can never be expedient to withdraw the restriction which exists on the intercourse of Messrs. William Palmer and Co. with Rajah Chundoo Loll. They have been too intimately connected in intrigue, in deceit, and in the shameful misappropriation of the resources of the State, ever to cease to recognize a common interest; and to permit a renewal of intercourse between

 them,

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Letter from Resident at Hyderabad.

them, would be to re-open the door to many of the mischiefs of their late baneful connection.

5. At the same time, to exclude Messrs. William Palmer and Co. from every source of redress, in a country where justice is not to be found in any public tribunals, would afford apparently a just ground of complaint.

6. I am, therefore, disposed to think, that an appeal to the Resident must still be left open to them.

7. This will not be without its attendant inconveniences. The interference of the Resident will confer on them a greater influence than they are entitled to, and will, in some degree, counteract the recent orders regarding them: but if it be necessary that they should be allowed an appeal either to the Resident or to the Minister, an appeal to the Resident I conceive to be preferable to the alternative.

8. Caution, however, must be used, in forwarding their claims, many of which it will be impossible to settle. The accumulation of intolerable interest has swelled their demands against individuals to an amount which, in several cases, can never be realized, even with the utter ruin of those individuals.

9. With reference to the argument pursued in this letter, I venture to suggest, as the most expedient course which occurs to me for the removal of the difficulties stated, that the Resident might be permitted, in a case of necessity, to receive an appeal from Messrs. William Palmer and Co., and having obtained the previous sanction of the Right Honourable the Governor-General in Council, to lay the claim before the Nizam's Government, in such a manner as may be best calculated to promote justice, and prevent the operation of undue influence.

I have, &c.

Hyderabad Residency,
27th Augugt 1823.

(Signed) C. T. METCALFE,
Resident.

(Enclosure No. 15.)

Letter from Secretary to Government.

To Sir Charles T. Metcalfe, Baronet, Resident at Hyderabad.

Sir:

1. I am directed to acknowledge the receipt of your despatch of the 27th August last, submitting for the orders of the Governor-General in Council the question of receiving appeals from the house of William Palmer and Co. to the Nizam's Government, in all cases in which they may have occasion to prosecute for the recovery of just demands.

2. The view which you have taken of this abstract question appears to the Governor-General in Council to be extremely just.

3. It would, doubtless, have been very desirable, with advertence to the orders of the Honourable Court conveyed in the twelfth paragraph of their letter of the 24th May 1820, to have avoided all concern whatsoever with the affairs of Messrs. William Palmer and Co.; but so long as it may be deemed expedient to maintain the restriction on the direct intercourse of the house with the Ministers, a measure which was not in the contemplation of the Honourable Court when the order above referred to was issued, it cannot be deemed an infringement of that order, to permit the British Resident to be the mere channel of written communication between the parties. Under the recent instructions from the Honourable Court, relative to the illegality of lending money and taking interest above twelve per cent. per annum, it is obvious that you cannot be even the channel of communicating appeals from the firm of William Palmer and Co., in cases where a higher rate of interest than that abovementioned may be demanded from the parties against whom they may desire to prefer claims.

4. Under the above view of the question, the Governor-General in Council does not conceive it necessary that, as suggested in the concluding paragraph of your letter, you should suspend the transmission of an appeal from the house to the Government of his Highness, until you shall have first obtained the sanction

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Letter from Secretary to Government.

tion of the British Government. It will be sufficient that, previously to consenting to be the channel of any appeal, you should satisfy yourself that no higher rate of interest than twelve per cent. is demanded by the house, and that they have, in the first instance, applied for redress in the constituted courts of the country.

5. To restrain, as far as possible, all secret attempts, on the part of any British-born subjects at Hyderabad, to engage in usurious loans, you are hereby directed to communicate to the Nizam's Government, and to the officer presiding in the native court of justice, as well as generally to all native dealers in money, that the British Government considers all such transactions on the part of British-born subjects to be illegal, that the securities are void, and that the parties taking such illegal interest are liable to punishment in an English court of law. In the event of any open contravention of the law, you will consider it to be your duty to report the circumstance for the information of Government, when the necessary measures will be taken for the removal of the offender from his Highness's dominions, and for such further punishment as the case may require.

I have, &c.

Fort-William,
17th October 1823.

(Signed) GEO. SWINTON,
Secretary to Government.

(Enclosure No 16.)

Letter from Resident at Hyderabad.

To George Swinton, Esq., Secretary to Government.

Sir:

1. I have the honour to submit a copy of a letter from Mr. Lamb, one of the partners of the house of William Palmer and Co., in reply to my communication of the orders of Government for his quitting Hyderabad and proceeding to Europe.

2. The term of indulgence required by Mr. Lamb is probably greater than was in the contemplation of the Governor-General in Council; and as the orders of the Honourable the Court of Directors for his departure were communicated to Mr. Lamb in 1821, it cannot be urged that he has not been aware of his liability to a sudden removal.

3. Mr. Lamb having appealed to my testimony regarding his conduct at Hyderabad, I have great pleasure in reporting, that his personal conduct has been unexceptionable, and has gained for him the general esteem of the society.

4. As a member of the firm of William Palmer and Co., Mr. Lamb cannot be entirely exculpated from their delinquencies. He has gone with the stream and shared the profit, and joined in endeavours to deceive the Government and conceal the truth; but I am not sure that he was concerned in the fraud of the pretended sixty lac loan. I acquit him of any concern in the intrigues of last year; and as a personal question, I should consider his continuance at Hyderabad unobjectionable; believing him to be one of the least culpable of the members of that firm.

I have, &c.

Hyderabad Residency,
29th August 1823.

(Signed) C. T. METCALFE,
Resident.

Letter from Mr. G. Lamb.

To Sir Charles T. Metcalfe, Bart., Resident, &c. &c. &c.

Sir:

I have the honour to acknowledge the receipt of your letter of the 25th instant, apprizing me that I am peremptorily required by the Supreme British Government to quit Hyderabad and proceed to Europe.

As the Governor-General in Council has the goodness not to object to my being allowed a reasonable time for the adjustment of my affairs, I beg humbly to represent, that it will not be in my power to come to any settlement of them before the close of the business year of the house in June next; a period, I trust, which

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Letter from Mr. G. Lamb.

which will not be thought unreasonable, considering the extensive transactions in which the house is engaged, and that I have for some time past taken the most active part in the management of its business.

Further, to induce the Right Honourable the Governor-General in Council to grant me the indulgence I now solicit, I beg respectfully to appeal to your knowledge of the manner in which I have conducted myself while at Hyderabad, which I trust has been such as to render me not undeserving of this favour.

I have, &c.

Hyderabad,
27th August 1823.

(Signed) G. LAMB.

(Enclosure No. 17.)

Letter from Secretary to Government.

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Sir:

1. I am directed to acknowledge the receipt of your despatch of the 29th August last, submitting an application from Mr. Lamb, of the firm of William Palmer and Co., to remain at Hyderabad until the month of June next, on the plea of its being impracticable for him to settle his affairs before the close of the business year of the house in that month.

2. Although Mr. Lamb may not have taken an active part in all those transactions of the house with the Government of the Nizam by which it has justly forfeited every title to the countenance of the British Government, still, his Lordship in Council observes, Mr. Lamb has been associated with those who were the principal actors, and has shared with them the advantage accruing from those transactions. It can, therefore, be considered but a negative merit on his part, not to have taken an active and prominent share in the system of deception, misrepresentation, and intrigue, which was perhaps not the less adroitly conducted without his assistance, while his unavoidable knowledge of some, at least, of those improper proceedings, his reserve when called upon to speak to points of which it is not easy to believe he could be so entirely ignorant as he professed himself to be, and his participation in the profits of the house, fully implicate him in whatever criminality has been held to attach to the acts of the firm.

3. Adverting to the above circumstances, and to the fact of Mr. Lamb having been apprized of the order of the Honourable Court for his return to England ever since the month of December 1821, the Governor-General in Council cannot regard the application of that gentleman as containing any adequate ground for further delay, in carrying into execution the above order. You are accordingly directed to intimate to him, that the period of his stay at Hyderabad is limited to the month of December next; at the expiration of which month he is peremptorily required to quit the dominions of his Highness the Nizam and proceed to Europe, in conformity with the orders of the Honourable Court. In the event of any attempt on his part to evade this positive order, you will call on the Government of his Highness to fulfil that stipulation of the Treaty of 1798, which provides that no European shall be permitted to remain in the Nizam's territories without the consent of the British Government.

4. In communicating the above order to Mr. Lamb, you will caution him against all further concern with the firm of which he is a partner, in any usurious and illegal transactions, with reference to the public notification, under this date, regarding loans at a rate of interest exceeding twelve per cent., apprizing him that any contravention, on his part, of the law, as so explained, will render him liable to a prosecution.

I have, &c.

Fort-William,
17th October 1823.

(Signed) G. SWINTON,
Secretary to Government.

Enclosure

Enclosures in Bengal Political Letter. 31 Oct. 1823

Letter from Resident at Hyderabad.

To G. Swinton, Esq., Secretary to Government.

(Enclosure No. 18.)

1. I have the honour to submit a set of accounts received from Messrs. William Palmer and Co., regarding their transactions with Nawaub Mooneer-ool Moolk, and to solicit the instructions of the Right Honourable the Governor-General in Council for my guidance on this subject.

2. There is no guarantee on the part of the Nizam's Government for these accounts.

3. As the nominal Minister of his Highness, Messrs. William Palmer and Co. are excluded from intercourse with Mooneer-ool Moolk. Whether or not this prohibition has been strictly attended to in the money concerns of the parties, I am not able to say.

4. It would seem to be necessary either to allow Messrs. William Palmer and Co. to have intercourse with Mooneer-ool Moolk regarding these accounts, or to authorize the Resident to listen to their applications. The former course, under existing circumstances, might not be attended with much risk of mischievous consequences, though the latter, perhaps, would be the least objectionable, unless it be deemed inconsistent with the orders lately issued for withdrawing protection from Messrs. William Palmer and Co.

I have, &c.

Hyderabad Residency,
29th August 1823.

(Signed) C. T. Metcalfe,
Resident.

[Account O. C.* No. 1.]

MOONEER-OOL MOOLK *in Account with former Concern, Hyderabad.*

Dr.

H. 1226 :— F 1221.			Hyderabad Rupees.	A.
Rumzaun	24.	To Cash - - - - -	5,000	0
Shuwaul ..	5.	.. Do. - - - - -	5,000	0
	6.	.. Do. - - - - -	4,000	0
	11.	.. Do. - - - - -	4,000	0
	21.	.. Do. paid your order to Khoda Buksh Beg -	3,950	0
	25.	.. Do. - - - - -	5,000	0
Zekaud ..	7.	.. Do. - - - - -	20,050	0
	23.	.. Do. - - - - -	5,000	0
Zehijj	1.	.. Do. - - - - -	11,500	0
	11.	.. Do. - - - - -	10,000	0
	15.	.. Do. - - -	10,000	0
	25.	.. Do. - - - - -	5,500	0
Mohurrum	7.	.. Do. - - - - -	2,000	0
		.. Do. paid your draft -	6,366	10
		.. Do. - - - - -	2,133	6
		Rupees	99,500	0

Cr.

H. 1226 :— F. 1221.			Hyderabad Rupees.	A.
Rumzaun	1.	By Cash - - - - -	14,000	0
Shuwaul..	1.	.. Do. - - - - -	33,000	0
Zekaud	1.	.. Do. - -	16,500	0
Zeehijj ..	1.	.. Do -	36,000	0
		Rupees	99,500	0

(Signed) W. Palmer.

A true Copy,

(Signed) Geo. Swinton,
Secretary to the Government.

* O. C. "Old Concern."

[Account O. C. No. 2.—Folio 1.]

MOONEER-OLL MOOLK *in Account with Former Concern, Hyderabad.*

Dr. *Cr.*

H. 1227 :— F. 1221.			Hyderabad Rupees.	A.
Mohurrum	2.	To cash	10,055	14¼
	18. ..	Cash paid to Eitul Dos	450	0
Suffer	9. ..	Cash	11,969	1¼
	5. ..	Do. paid a draft in favour of Maistry	243	0
	9. ..	Mr. Gervas Robison for purchase of kimkhabs	4,646	0
	..	Cash paid your draft to Mr. S. Russell	1,600	0
	11. ..	Cash	2,500	0
	9. ..	Paid your draft to Bunketty Dos	668	11
	17. .	Purchase of jewels, due 1st Jemadee oo sanee	6,885	0
	18. ..	Cash	870	14½
	26. ..	Do. paid Birgruttun Dos	1,016	11
	28. ..	Do. paid do.	1,574	12
Rubbee ool awul	3. ..	Do. paid do.	10,047	10
	15. ..	Do. paid do.	4,000	0
	22. ..	Cuppoor Chund	3,890	0
	26. ..	Do.	970	15
	13. ..	Purchase of kimkhabs, three months' credit	1,664	0
Rubbee oo sanee	2. ..	Birgruttun Doss, do.	2,125	0
	10. ..	Ameer Chund and Birdee Chund	3,500	0
	..	Sooltan Mul Kotharee	5,800	0
	..	Hurjeemul and Luchmun Dos	4,000	0
	11. ..	Cash	7,000	0
	12. ..	Seeta Ram	3,496	8
	..	Sumjamul	1,655	0
	14. ..	Sooltan Mul Kotharee	6,960	0
	..	Cash	588	8
	..	Birgruttun Dos, per your order, due in Jemadee ool awul	10,000	0
	26. ..	Cash paid to Mahomed Nizams	600	0
Jemadee ool awul	11. ..	Cash	20,000	0
	8. ..	Purchase of Mushroos	261	0
	9. ..	Cash	100	0
	14. ..	Do.	1,900	0
	28. ..	Sundries for various purchases, three months' credit	5,373	0
Jemadee oo sanee	7. ..	Mahomed Nusruth, four months' credit	824	0
	..	One piece velvet, do.	136	0
	10. ..	Cash	20,000	0
	11. ..	Mahomed Nusruth, three months' credit	152	4
	..	Cash:		
		19th instant - 5,000 0		
		20th - 7,147 5		
			12,147	5
	28. ..	Cash paid your draft to Abdool Hoossein	700	0
Rujeeb	2. ..	Cash	8,000	0
	3. ..	Do.	5,000	0
	4. ..	Do.	2,000	0
		Carried forward - Rs.	1,85,393	5

H. 1227 :— F. 1221.			Hyderabad Rupees.	A.
Mohurrum	6.	By cash	33,000	0
Suffer	17. ..	Rajah Chundoo Loll	20,000	0
	18. ..	Profit and loss	25	12
	17. ..	Rajah Chundoo Loll	1,500	0
Rubbee ool awul	3. ..	Do.	33,000	0
	24. ..	Jewels returned	390	0
Rubbee oo sanee	5. ..	Rajah Chundoo Loll	32,000	0
Jemadee ool awul	5. ..	Do.	14,000	0
	6. ..	Do.	6,000	0
Jemadee oo sanee	1. ..	Do.	24,000	0
	17. ..	Do.	8,900	0
Rujeb	2. ..	Three pieces kimkhabs returned	420	0
	1. ..	Rajah Chundoo Loll	31,900	0
	23. ..	Masoom Ali Khan	532	1
	..	Do.	132	13
	..	Mr. G. Robison	16	5
Shabaun	15. ..	Cash	83	0
	6. ..	Rajah Chundoo Loll	33,482	0
Rumzaun	26. ..	Do.	33,482	0
Shuwaul	4. ..	Do.	32,902	0
	7. ..	Cash	8,000	0
	..	Error in account	200	0
	28. ..	Asfea Sahib	1,500	0
Zeekaud	3. ..	Masoom Ali Khan	2,000	0
	6. ..	Rajah Chundoo Loll	32,900	0
	28. ..	Sons of Meer Sooban Ali	1,500	0
Zechijj	14. ..	Birgruttun Doss	4,818	0
H. 1228.				
Mohurrum	3. ..	Jewel department	5,000	0
	..	Cash, 20th Zechijj, H. 1227	2,000	0
	..	Errors in account	180	0
		Carried forward - Rs.	3,63,863	15

[Account O. C. No. 2.—Folio 2.]

MOONEER-OOL MOOLK *in Account with Former Concern, Hyderabad.*

Dr.

H. 1227:— F. 1221.			Hyderabad Rupees.	A.
		Brought forward -	1,85,393	5
Rujeb....	3.	To Masoom Ali Khan - - -	2,000	0
	6. ..	Mahomed Ram - - - -	5,800	0
	5. ..	Cash - - - - - -	2,000	0
	6. ..	Do. - - - - -	3,744	5
	7. ..	Do. - - - - -	3,555	11
	9. ..	Do. - - - - - -	3,867	12
	10. ..	Rada Kishun, per your draft, payable in three kists, the first commencing 10th Rumzaun - -	39,600	0
	13. ..	Cash - - - - - -	15,000	0
	16. ..	Do. - - - - - -	4,000	0
	15. ..	Do. - - - - - -	1,000	0
	22. ..	Do. - - - - -	2,000	0
	23. ..	Do. - - - - - -	3,363	2
	..	Masoom Ali Khan - - - -	358	0
	14. ..	Excess of credit, 11th Rumzaun -	365	0
	15. ..	Cash - - 15th instant 11,000 0 16th - - 10,404 0 18th - - 1,500 0 20th - - 2,096 0	25,000	0
	23. ..	Purchases of shawls, three months' credit	2,270	0
Rumzaun	1. ..	Sundries for purchases - do. -	2,471	0
	8. ..	Paid your two drafts of this date to Mr. S. Russell - - -	16,500	0
	15. ..	Benuzzur Jung - - - -	2,500	0
	..	A hoondee - - - -	5,000	0
	5. ..	Mahomed Nusruth - - - -	21	0
	15. ..	Jewellery - - - - -	7,765	0
	24. ..	Cash - - - - - -	4,000	0
	28. ..	Do. - - - - - -	3,000	0
Shuwaul..	1. ..	Five pieces kimkhabs - -	880	8
	7. ..	Cash - - - - - -	10,000	0
	..	Cappoor Chund - - - -	11,500	0
	10. ..	Cash - - - - - -	3,560	0
	15. ..	Asfea Sahib - - - - -	3,000	0
	12. ..	Cash - - - - - -	4,000	0
	15. ..	Sundries for purchases, four months' credit - - - - -	1,100	0
	23. ..	Cash - - - - -	4,000	0
Zeekaud..	10. ..	Profit and loss - -	1,108	0
	8. ..	Sundries - - - -	2,205	0
	13. ..	Cash - - - -	6,000	0
	17. ..	Do. - - -	2,000	0
	18. ..	Do. - - -	2,000	0
	19. ..	Ameer Chund and Birdee Chund -	10,000	0
	29. ..	Hirjeemul and Luchmun Dos - -	1,000	0
	30. ..	Pudumsee Meynee -	4,000	0
Zechijj....	4. ..	Cash - - - - -	5,000	0
	5. ..	Sundries - - - -	1,470	0
	9. ..	Mr. Henry Russell, on draft - -	10,000	0
	18. ..	Sundries for purchases, four months' credit - -	2,828	10
	23. ..	An elephant - -	3,500	0
	25. ..	Sundries - -	1,021	3
	28. ..	Cash - - - - - -	1,000	0
	18. ..	Ameer Chund and Birdee Chund	2,000	0
Hyderabad 30th Zechijj.—H. 1127.		Rupees -	4,33,687	8

Cr.

H. 1227:— F. 1222.			Hyderabad Rupees.	A.
		Brought forward -	3,63,863	15
Zeehijj	30.	By balance due to us - - - -	69,823	9
F. 1222. E. E.		Rupees	4,33,687	8

(Signed) W. PALMER.

H. 1228:— F. 1222.			Hyderabad Rupees.	A.
Mohurrum	1.	To balance brought forward - -	69,823	9
	22. ..	Cash - -	11,457	0
	24. ..	Do. - - - - -	4,125	0
	27. ..	Rajah Chundoo Loll, hoondee 10th Suffer	5,500	0
	25. ..	Hurjeemul and Luchman Dos -	3,000	0
	12. ..	Masoom Ali Khan - - -	1,437	3
	2. ..	Profit and Loss - -	1,509	14
Hyderabad, 1st Suffer.—H. 1228.		Rupees -	96,852	10

H. 1228:— F. 1222.			Hyderabad Rupees.	A.
Mohurrum	3.	By Rajah Chundoo Loll - - -	33,000	0
Suffer....	1. ..	balance exclusive of interest	63,852	10
F. 1222. (Errors Excepted.)		Rupees	96,852	10

(Signed) WM. PALMER.

A true Copy,

(Signed) GEO. SWINTON,
Secretary to Government.

[Account O. C. No. 3.—Folio 1.]

MOONEER-OOL MOOLK *in Account with Former Concern, Hyderabad.*

Dr.

H. 1228:— F. 1222.			Hyderabad Rupees.	A.
Suffer	1.	To balance of last Account - -	63,852	10
	8. ..	Mr. H. Russell, transferred -	2,400	0
	20. ..	Sundries for purchases, 3 months' credit - - - - -	7,190	0
Rubbee ool awul ..	6. ..	Do. - do. - do. -	15,366	0
	..	Discount a bill of Rs. 30,000, 8th Suffer - - - -	600	0
	20. ..	Purchase of tents - - -	2,891	10
	..	Two pair shawls - - -	1,475	0
	..	Interest from 2d Mohurrum to 1st Rubbee ool awul - -	1,856	11
Rubbee oo sanee ..	16. ..	Suree Noaz Rao Inkajee, two hoondees, due this date - -	20,000	0
	14. ..	Cuppoor Chund, your note payable two months' date - -	15,000	0
	6. ..	Twenty-seven pair shawls -	6,592	0
	19. ..	Mr. S. H. Russell, for various purchases - - - -	6,090	8
	22. ..	Jewellery - - - -	9,862	14
Jemadee ool awul	15. ..	Ushruff ood Dowlah - -	3,367	0
	14. ..	Cash - - - - -	1,551	12
	..	Discount on Rs. 25,000 - -	500	0
	13. ..	Jewellery - - - -	435	0
	25. ..	A pair of ear-rings - - -	600	0
	27. ..	Urjam Geer Khuruk Geer, your draft in his favour at two months	5,000	0
	18. ..	A watch - - - - -	640	0
Jemadee oo sanee ..	1. ..	Jewellery - - - - -	1,650	0
	..	Cash - - - - - -	5,851	4
	..	Birgruttun Dos, four months' credit - - - - -	2,475	0
	19. ..	Eleven pieces kimkhabs - -	1,318	0
	..	Eighty-six do. punjums - -	1,153	0
Rujeb	2. ..	Jewellery - - - -	1,775	0
	4. ..	Do. - - - - -	1,200	0
	..	A pair dustbunds - - -	150	0
	12. ..	Bank notes - - - -	28,000	0
	14. ..	Do. - - - - -	2,000	0
	15. ..	Jewellery - - - -	400	0
	22. ..	Cash - - - - -	13,750	0
	25. ..	Do. - - - - -	5,397	10
Shabaun	7. ..	Mahomed Nurwaj, for purchase of selahs - - - -	420	0
	11. ..	Cash - - - - -	19,600	0
	12. ..	Do. - - - - -	400	0
	25. ..	Cuppoor Chund, draft in his favour due end of Zeekaud -	20,960	0
	26. ..	One pair kimkhabs - - -	130	0
	..	Jewellery on 2d Rujeb, omitted above - - - -	750	0
Ramzaun	1. ..	Jewellery - - - -	2,575	0
	2. ..	Three pieces kimkhabs - -	535	0
	..	Calcutta goods - - -	578	0
	..	Cash - - - - -	2,390	0
	3. ..	Do. - - - - -	3,800	0
		Carried forward -	Rupees 2,82,528	15

Cr.

H. 1228:— F. 1222.			Hyderabad Rupees.	A.
Rubbee oo sanee	12.	By Rajah Chundoo Loll - -	51,112	1
Shabaun	6. ..	Cash - - - - -	950	0
	15. ..	Do. - - - - -	4,200	0
	23. ..	Do. - - - - -	990	0
	20. ..	Do. - - - - -	2,000	0
Rumzaun	3. ..	Do. - - - - -	1,800	0
	18. ..	Rajah Jyshunkur Dos - -	3,500	0
Zeekaud	21. ..	Hoondee of Joona Naig Vasuppa	25,000	0
	..	Do. of Jukuppa Tundoor -	15,000	0
	6. ..	Meer Hydaet Ali - - -	16,750	0
Zeehijj	5. ..	Cash - - - - -	1,900	0
	6. ..	Do. - - - - -	3,100	0
	8. ..	Do. - - - - -	12,700	0
	11. ..	Do. - - - - -	1,000	0
	17. ..	Do. - - - - -	5,000	0
	19. ..	Do. - - - - -	300	0
	20. ..	Do. - - - - -	14,700	0
	..	Do. in account Joona Naig Vasuppa - - - -	4,000	0
	..	Do. - Suree Noaz Rao Inkajee	3,880	0
	21. ..	Do. - - - - -	7,300	0
	23. ..	Do. - - - - -	1,120	0
H. 1229.				
Mohurrum	2. ..	Do. - - - - -	5,000	0
	4. ..	Do. - - - - -	862	0
	25. ..	Do. - - - - -	1,700	0
	29. ..	Do. - - - - -	2,800	0
	30. ..	Do. - - - - -	1,000	0
Suffer	2. ..	Do. - - - - -	5,740	0
	10. ..	Do. - - - - -	3,000	0
	11....	Do. - - - - -	2,000	0
	17. ..	Do. - - - - -	510	0
Rubbee ool awul	6. ..	Do. - - - - -	2,955	0
	7. ..	Do - - - - -	5,170	0
	9. ..	Do. - - - - -	1,045	0
	15. ..	Do. - - - - -	7,898	11½
	25. ..	Do. - - - - -	5,862	0
	29. ..	Do. - - - - -	4,225	0
Rubbee oo sanee	2. ..	Do. - - - - -	10,900	0
	8. ..	Do. - - - - -	17,450	0
	11. ..	Do. - - - - -	16,000	0
	12. ..	Do. - - - - -	250	0
	13. ..	Do. - - - - -	540	0
	14. ..	Do. - - - - -	7,100	0
	15. ..	Do. - - - - -	4,255	0
		Carried forward -	Rupees 2,82,564	12½

[Account O. C. No. 3.—Folio 2.]

MOONEER-OOL MOOLK *in Account with Former Concern, Hyderabad.*

Dr.

H. 1228:— F. 1223.			Hyderabad Rupees.	A.
		Brought forward -	2,82,528	15
Rumzaun....	5.	To Cash - - - - - -	1,500	0
	7. ..	Do. - - - - - -	1,000	0
	9. ..	Do. - - - - - -	1,000	0
Shuwaul	2. ..	Two pieces jamdannee - - -	230	0
	6. ..	Bubber Ali Khan on account Hoondee of Diaram Surroop Chund -	3,400	0
	..	Cash (Rupees 5,000 in bank notes) -	6,600	0
	29. ..	Ramjemul and Buhaudoor Sing draft in his favour - - -	10,760	0
	21. ..	Interest closed to the 1st Shuwaul -	8,756	8
	24. ..	A piece muslin - - - - -	62	0
Zeekaud	7. ..	Cash - - - - - -	10,000	0
	5. ..	A pair of white shawls - - -	325	0
	..	Calcutta goods - - - - -	175	0
	..	Sundries - - - - - -	44	0
	8. ..	Sundries for purchases, three months' credit - - - - - -	25	0
	..	Three selas - - - - - -	75	8
	13. ..	Jewellery, four months' credit -	2,872	0
	..	A pair dustbunds, six months' credit	900	0
	25. ..	A pair bajoobunds, three months' credit - - - - - -	4,750	0
	30. ..	Jewellery, four months' credit - -	3,363	4
	5. ..	Doorga Dos and Megrang - -	5,000	0
Zehijj	5. ..	A diamond, four months' credit -	1,453	2
	7. ..	Paid your draft in favour of Syud Ali Akbar, &c. - - -	2,400	0
	6. ..	Two dooputtas - - - -	528	10
	17. ..	Ramsook Modhee - - -	3,002	0
	..	Heera Loll, 1st Zeekaud - -	5,700	0
	15. ..	Ramsook Modhee - - - -	2,050	0
	17. ..	Ditto tunkha paid him - - -	2,000	0
	29. ..	Heera Loll, draft payable en of Mohurrum - - - -	22,805	0
Suffer	1. ..	A draft dated 30th Zehijj due 1st Suffer - - - -	747	0
Zehijj	20. ..	Ramsook Modhee - - - -	1,000	0
	..	Cash, 1st Jemadee oo sanee - -	94	11
	26. ..	Purchase of kimkhabs - - -	3,143	8
	22. ..	A dooputta - - - - -	135	0
	30. ..	Cash - - - - - -	12,000	0
	..	Your draft to Rajah Ram Koolkunnee	3,000	0
	..	Do. - to Pudumsee and Neynsee	5,415	0
	..	Do. - to Bhurwanee Shumkur Dause - - - - - -	793	0
H. 1229.	..	Do. - to Modhee Dos - -	3,706	0
Mohurrum ..	1. ..	Do. - to Ram Sookh Jeweller	9,351	0
	..	Do. - to Rajah Bal Mokund -	1,334	0
		Do. - to Rada Kishun Goomashta	1,377	0
	13. ..	Do. - to Goordhun Doss - -	5,890	1
	16. ..	Do. - to Poorun Chund - -	803	0
	22. ..	Purchase of emeralds, four months' credit - - - - -	8,280	0
Suffer	1. ..	Sundries for purchases, four months' credit - - - - -	5,638	9
	3. ..	Cash - - - - - -	8,000	0
	5.	Eight pair of shawls, four months' credit - - - - - -	2,450	0
		Carried forward - Rupees	4,56,463	12

Cr.

H. 1228:— F. 1223:			Hyderabad Rupees.	A.
		Brought forward -	2,82,564	12½
Rubbee oo sanee	16.	By Cash - - - - -	10,000	0
	17. ..	Do. - - - - - -	9,000	0
	20. ..	Do. - - - - - -	710	0
	21. ..	Do. - - - - - -	2,101	4½
	22. ..	Do. - - - - - -	1,000	0
	24. ..	Do. - - - - - -	5,000	0
	25. ..	Do. - - - - - -	11,550	0
	26. ..	Do. - - - - - -	5,100	0
	27. ..	Do. - - - - -	900	0
	29. ..	Do. - - - - - -	1,000	0
Jemadee ool awul	2. ..	Pudumsee and Neynsee - - -	320	0
Jemadee oo sanee	2. ..	Meer Hydaet Ali - - - -	16,750	0
Rujeb	7. ..	Cash - - - - - -	5,060	0
	8. ..	Error in account of receipts from Shusuppa Vurkar - - -	1,775	0
	..	Discount for early payment from do.	358	5¼
	..	Transfer of Shusuppa Vurkar -	824	0
	..	Discount on early payment - -	67	10¾
	..	Cash - - - - - -	3,975	0
	10. ..	Do. - - - - - -	3,974	0
	12. ..	Do. - - - - - -	5,900	0
	13. ..	Do. - - - - - -	8,576	0
	..	Transfer of Shusuppa Vurkar -	4,300	0
	15. ..	Cash - - - - - -	10,700	0
	..	Do. - - - - - -	3,900	0
	20. ..	Do. - - - - - -	4,200	0
	21. ..	Do. - - - - - -	1,000	0
	23. ..	Do. - - - - - -	350	0
Shabaun	3. ..	Transfer of Sureenoaz Rao Inkajee	902	0
	..	Cash - - - - - -	5,750	0
	2. ..	Sureenoaz Rao Inkajee - - -	15,000	0
	5. ..	Cash - - - - - -	7,000	0
	6. ..	Do. - - - - - -	500	0
	..	Transfer of Shusuppa Vurkar -	1,123	0
	7. ..	Do. - do. - - - -	2,000	0
	9. ..	Cash - - - - - -	2,200	0
	13. ..	Chitty of Motey Ram and Doorga Doss - - - - -	4,000	0
	9. ..	Received on account Shusuppa Vurkar	900	0
	13. ..	Cash - - - - - -	1,125	0
	15. ..	Do. - - - - - -	100	0
	..	Interest due to Shusuppa Vurkar -	302	0
Ramzaun....	25. ..	Received from Sureenoaz Rao Inkajee - - - - -	25,862	0
Shuwaul	18. .	Meer Hydaet Ali from 1st Shabaun	16,750	0
	29. ..	Messrs. W. Palmer, and Co. N.C. from 1st Shuwaul - - -	55,155	6¾
		Carried forward - Rupees	5,39,625	9¾

[Account O. C. No. 3.—Folio 3.]

MOONEER-OOL MOOLK *in Account with Former Concern, Hyderabad.*

Dr.

H. 1229:— F. 1223.			Hyderabad Rupees.	A.
		Brought forward -	4,56,463	12
Suffer.....	14.	To profit and loss, 30th Zehijj -	12,737	0
	18.	.. Your order in favour Mr. H. Russell, due 1st Rubbee ool awul - - - - - -	30,000	0
Rubbee ool awul	21.	.. Cash paid for repairs of a boat -	200	0
	20.	.. Sundries for purchases, four months' credit - - -	3,114	8
		.. Oomar Sahib, from 17th Suffer, four months' credit - -	155	0
Rubbee oo sanee	11.	.. Cash paid for repairs of boat -	76	0¾
	3.	.. Jewellery, four months' credit -	1,800	0
	15.	.. Do. - do - -	550	0
		.. Masoom Ali Khan - - -	400	0
	16.	.. Sundries for purchases of goods, four months' credit - -	70	1
Jemadee ool awul	9.	.. Interest on account closed to 1st Rubbee oo sanee - - -	13,345	15
		.. Chillum Jugguppa, four months' credit - - - - -	92	12
		.. Masoom Ali Khan, do. - -	79	10
	12.	.. Do. - - - - - -	217	0
	17.	.. Jewellery, three months' credit -	1,350	0
Jemadee oo sanee	11.	.. Do..... four months' credit -	660	0
		.. Oomur Sahib - do. -	590	0
		.. Ramjeemul and Behauder Sing do.	925	0
		.. Masoom Ali Khan - do. -	550	0
	16.	.. Purchase of table-cloths - -	184	12¾
Shuwaul.....	29.	.. Interest on account closed to 1st Shuwaul - - - - -	15,861	2¼
		.. Error in account - - - -	3	0
		Rupees	5,39,625	9¾

Cr.

H. 1229:— F. 1223.		Hyderabad Rupees.	A.
	Brought forward -	5,39,625	9¾
	Rupees	5,39,625	9¾

Errors Excepted.

Hyderabad,
2nd Shuwaul, H 1229 —F 1223

(Signed) W. PALMER,
(A true copy.)
(Signed) GEO. SWINTON,
Secretary to Government.

[Account No. 1.—Folio 1.]

MOONEER-OOL MOOLK *in Account Current with* Messrs. WILLIAM PALMER and CO. *HYDERABAD.*

Dr.

H. 1229 :— F. 1223.			Hyderabad Rupees.	A.
Rubbee ool awul	20.	To loan on your draft	15,000	0
	29.	.. Your draft to Ramsookh Modhee due this date	4,000	0
		.. Do. do. do. due 30th Rubbee oo sanee	3,000	0
Rubbee oo sanee	1.	.. Cash paid your draft dated 12th Rubbee ool awul	3,418	0
	8.	.. Cash	6,279	13
		.. Transfer account of Meer Nujef Ali	5,720	3
	20.	.. Old concern	10,600	0
	19.	.. Your draft to Verasamy Maistry due 1st Jemadee ool awul	648	0
		.. Do. to Mahomed Nizam do.	916	0
	27.	.. Cash paid your draft to Motee Ram Doorga Dos	4,000	0
Jemadee ool awul	2.	.. Cash	7,000	0
	3.	.. Do. paid bill of Chukkunean	30	0
		.. Transfer to Rajah Jy Shunkur Dos	1,000	0
		.. Discount on bill in favour Chukkunean	21	0
	7.	.. Cash paid Motey Ram and Doorga Dos your draft dated 6th instant	15,000	0
	12.	.. Purchase of shawl	290	0
	17.	.. Purchases from sundries at four months' credit:		
		Bunketty Dos 1,500 0		
		Ramjeemul Behauder Sing 1,050 0		
		Oomar Sahib 550 0		
			3,100	0
	24.	.. Cash paid to Cazee Uzzeejoollah	2,801	0
		.. Cash sent you	2,000	0
		.. Bill of Race Boocharmul transferred	2,000	0
	27.	.. Cash	3,199	0
	11.	.. Jewellery at four months' credit	1,205	0
	20.	.. Do. do.	9,500	0
		.. Gordhun Dos Bujaj for purchases at four months' credit	1,142	9
Rujeb	6.	.. Transfer to Mr. J. Robison by your desire	4,468	0
	7.	.. Error in credit of sums paid by Shusuppa Vurkar	1,775	0
	13.	.. Cash	9,879	6
		.. Old Concern	1,073	1
	15.	.. Cash	363	4½
		.. Discount on bill in payment to Mr. J. Robison	12	14½
Shaban	1.	.. Paid in part of your draft on us for 25,000 Rupees	5,000	0
		.. Purchases from sundries at four months credit:		
		Jewellery 2,435 5		
		Ramjeemul and Behauder Sing 849 1		
		Oomar Sahib 2,506 14		
		Shawls 134 0		
		Five and three quarters yards of cloth 25 14		
			5,951	2
		.. Your draft in favour of Motey Sing due in one month	15,000	0
	2.	.. Paid in part of your draft on us for 25,000 Rupees	5,000	0
	1.	Your draft to Ramsookh Modhee due in one month	2,000	0
		Do to Motey Ram Potedar do.	1,000	0
		Carried forward....	1,53,393	5

Cr.

H. 1229 :— F. 1223.			Hyderabad Rupees.	A.
Rubbee oo sanee	11.	By Cash	1,000	0
Jemadee ool awul	7.	.. Do. from Sureenoaz Rao Inkajee	2,000	0
	12.	.. Do. from Doorga Dos Megrang transferred	1,500	0
	30.	.. Received on account Sureenoas Rao Inkajee	600	4
Jemadee oo sanee	6.	.. Cash from do.	1,000	0
	22.	.. Do. do.	400	0
	20.	.. A jewel returned	3,000	0
Rujeb	6.	.. Sureenoas Rao Inkajee	1,906	10
	7.	.. Cash from Shusuppa Vurkar	35,775	0
	9.	.. Cash from Soobunna Gorlburjee	13,735	0
	10.	.. Do. do.	2,199	0
		.. Discount	66	0
	13.	.. Cash	6,890	0
Rumzaun	17.	.. Manal Ekambunee	7,800	0
Zeekaud	3.	.. Sureenoas Rao Inkajee	0	13
	15.	.. Cash	10,000	0
Zehijj	11.	.. Do.	8,625	
	13.	.. Received from Soobunna Goolburgee	5,000	0
	13.	.. Do. from Race Chine	950	0
	14.	.. Do. do.	1,600	0
		.. Do. do.	1,400	0
	15.	.. Cash	3,050	0
	16.	.. Do.	3,000	0
	18.	.. Do.	1,000	0
	17.	.. Do. transferred	3,069	0
	18.	.. Do.	1,000	0
	19.	.. Do.	1,000	0
	21.	.. Do.	16	0
	20.	.. Do.	290	0
	25.	.. Bill on Sureenoas Rao Inkajee, due 1st Mohurrum	25,862	0
	25.	.. Hoondee on Mukhun Laul, due 12th Mohurrum	15,000	0
	28.	.. Bill on Dyaram and Surroop Chund, due 10th Mohurrum	10,000	0
H. 1230.				
Suffer	23.	.. Cash transferred, 9th Shuwaul	18,000	0
Rubbee oo sanee	1.	.. Do. from 1st Rubbee ool awul	25,862	0
	2.	.. Do. transferred from 1st Mohurrum	18,000	0
		.. Do. in following dates:		
		2d instant 1,000 0		
		4th 3,000 0		
		6th 4,000 0		
		8th 12,000 0		
		10th 4,966 0		
			24,966	0
		.. Transferred from 6th Jemadee ool awul next	5,000	0
		Carried forward	2,60,562	11

[Account No. 1.—Folio 2.]

MOONEER-OOL MOOLK *in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr. *Cr.*

H. 1229 :— F. 1223.			Hyderabad Rupees.	A.
		Brought forward	1,53,393	5
Shabaun	7.	To transfer on Utchful Rao and Munnoo Laul	10,000	0
	17. ..	Do. from Meer Hydaet Ali	5,000	0
	29. ..	Two pairs jamdannee, at four months' credit from 15th instant	150	0
Rumzaun	2. ..	Three watches, chains, seals and keys, at six months' credit	3,292	0
	6. ..	Your draft to Mr. S. H. Russell	2,200	0
	11. ..	One dozen watch-glasses	18	0
	16. ..	Your bills transferred to Manal Ekamburee	10,000	0
	15. ..	One piece of muckmul	130	0
	18. ..	One pair of pearls and one labree	532	7
	27. ..	Cash	2,000	0
	28. ..	Do.	6	5
	26. ..	A bill on Nowbut Rao and Hurbujaur	1,000	0
	28. ..	Transfer to Ramsookh Modhee, by your desire	108	11
	..	Do. do. of bill on Kosta Veriah, due 6th Shuwaul	1,000	0
	..	Do. do. of bill on Chitton Shroff, due 10th Shuwaul	1,000	0
	29. ..	Bills transferred to Lodhee Khan :—		
		29th Rumzaun - Rs. 35 0		
		1st Shuwaul - 62 0		
		13th do. - 188 0		
			285	0
Shuwaul	3. ..	Transfer of Zeahool Moolk	2,000	0
	8. ..	Cash on your draft	400	0
	15. ..	One piece mukmul	130	0
	19. ..	One pair shawls, at six months' credit	150	0
	..	One peacock, do.	2,700	0
	29. ..	Interest to 1st Shuwaul	9,157	1½
	..	Old concern, transferred from 1st Shuwaul	55,155	6¾
Zeekaud	4. ..	Two pairs shawls, at six months' credit - Rs. 325 0		
	..	Four pieces of tass, do. - 130 0		
			455	0
	..	Jewellery, do.	451	0
	15. ..	Cash	10,000	0
	..	Discount on your bills for Rs. 9,500 sold	219	6
	10. ..	Two pairs shawls, at six months' credit	225	0
	6. ..	Jewellery	16,100	0
Zehijj	1. ..	Two kimkhabs and two dooputtas, at six months' credit	680	0
	12. ..	Jewellery do.	2,841	0
	7. ..	One pair shawls do.	325	0
	1. ..	A yacoob choonee do.	125	0
	24. ..	Error in purchases on 1st *inst.* do.	150	0
	28. ..	Our order to Sham Doss due 3d Mohurrum	8,000	0
	..	Kurar Noaz Khan, for hoondee due 12th Mohurrum	10,000	0
	..	Rada Kishm, transferred his *tip*, due 14th Mohurrum	9,975	0
	30. ..	Ten dooputtas, at six months' credit	1,044	0
	..	One pair of shawls, do.	150	0
	..	Cash paid on your draft	8,000	0
	24. ..	Your draft to Ramsookh Modhee, due end of Mohurrum	12,000	0
		Carried forward - Rupees	3,40,548	10¼

H. 1230 :— F. 1224.			Hyderabad Rupees.	A.
		Brought forward	2,60,562	11
Rubbee oo sanee	11.	By transfer from 8th Jemadee ool awul next	1,100	0
	..	Do. - 10th do.	1,500	0
	16. ..	Do. - do.	3,000	0
	15. ..	Do. - do. Rs. 1,534 0		
	..	Do. - 12th do. 2,566 0		
			4,100	0
	17. ..	Do. - 10th do.	5,100	0
	..	Do. - 12th do.	3,000	0
	18. ..	Do. - 12th do. Rs. 434 0		
	..	Do. - 14th do. 566 0		
			1,000	0
	20. ..	Cash in chittees of Dowlut Ram	15,000	0
	..	Transfer from 14th Jemadee ool awul next	434	0
	21. ..	Do. - 10th do. Rs. 2,893 0		
	..	Do. - 12th do. 107 0		
			3,000	0
	..	Cash on chittee of Dowlut Ram	2,000	0
	24. ..	Transfer from 14th Jemadee ool awul next	3,900	0
	27. ..	Do. - 12th do.	900	0
	..	Do. - 14th do.	1,100	0
	29. ..	Eighteen pearls returned	180	0
Jemadee ool awul	2. ..	Ragoba Naig, from 12th inst.	4,000	0
	3. ..	Do. - from do. Rs. 993 0		
	..	Do. - from 14th do. 3,557 0		
			4,550	0
	..	A pair of ponchees sold 16th Rubbee oo sanee, returned	294	0
	5. ..	Ragoba Naig, from 14th inst.	5,525	0
	..	Kistnappa, from do.	2,000	0
	6. ..	Hoondee of Beharee Lal	4,000	0
	..	Ragoba Naig, from 14th inst.	1,200	0
	..	Kistnappa, from do.	425	0
	11. ..	Do. - from do.	3,550	0
	9. ..	Ragoba Naig, from do.	718	0
	14. ..	Kistnappa, from do.	2,500	0
	13. ..	Cash transferred from 26th inst.	2,500	0
	14. ..	Kistnappa	1,400	0
	15. ..	Cash from Buggut Sing	1,500	0
	..	Transfer of Buggut Ram, from 26th inst.	475	0
	16. ..	Kistnappa	5,125	0
Jemadee oo sanee	6. ..	Cash	4,400	0
	7. ..	Do.	3,000	0
	10. ..	Do.	2,000	0
	13. ..	Do.	2,000	0
	14. ..	Do.	1,078	1¼
	17. ..	Do.	144	0
	..	A transfer	456	0
Rujeb	2. ..	Cash	1,000	0
	9. ..	Do.	400	0
	..	Do.	9,725	9½
	20. ..	Do.	2,000	0
	..	Suree Noaz Rao Inkajee, transferred from 1st Jemadee oo sanee last	13,136	6½
		Carried forward - Rupees	3,84,978	12¼

[Account No. 1.—Folio 3.]

MOONEER-OOL MOOLK *in Account Current with* Messrs. WILLIAM PALMER and Co.

HYDERABAD.

Dr.

			Hyderabad Rupees.	A.
H. 1229:— F. 1224.		Sum brought forward -	3,40,548	10¼
Zeehijj....	26.	To your draft to Mahadeo Geer Gosaeen due 15th Suffer - - 17,545 8		
		30th Rubbee ool awul 16,000 0	33,545	8
	..	Do. - to Rajah Raenna due end of Suffer - - - - - - -	8,678	0
H. 1230.				
Mohurrum	1. ..	Do. - to Chutterbhooj Dos, due 1st Suffer - - - - -	17,248	0
	..	Do. - to Mohummed Nizam do.	1,100	0
	..	Jewellery on 27th Zeehijj - - -	1,434	0
	..	Do. - on 29th do. - - -	1,075	0
	..	One sirpainch on 27th do. - - -	311	0
	..	One sirputta on 28th do. - - -	775	0
	..	One har - - - - - - -	625	0
	..	Cash, Narainpett Rupees - - -	4,000	0
	..	Your draft to Ali Beg Khan, dated 26th Zeehijj, due 1st Suffer - - -	8,768	0
	6. ..	A draft dated 24th Zeehijj in favour Mootee Sing - - - - -	674	8
	..	Do. - 27th do. Foujdar Khan	10,455	0
	..	Do. - 26th do. due 1st Suffer 2,000 0 15th - 1,400 0	3,400	0
	16. ..	Cash exchange on 16,000 Narainpett Rupees - - - - - -	400	0
	15. ..	Your draft to Pudumsee and Neynsee, dated 29th Zeehijj - - - -	8,492	8
	..	Do. - to Manic Chund and Mooltan Chund do. - - - -	8,492	8
	21. ..	One pair tass, at 6 months' credit, from 30th Zeehijj - - - 135 0		
	..	One dooputta do. do. - 40 0		
	..	Thirteen and a half maunds candles - - - - 499 14	674	14
	23. ..	Cash - - - - - - -	2,000	0
Suffer	1. ..	Transfer to Meer Nujuff Ali by desire -	1,408	4
	..	Do. - to Rao Bal Mokund do. -	2,153	5½
	2. ..	Cash - - - - - - -	2,000	0
	3. ..	Do. - - - - - - - -	1,209	6¾
	5. ..	Do. - - - - - - - -	854	0
	24. ..	Your draft to Untoo Shroff, due 1st Rubbee oo sanee - - - - -	15,000	0
	22. ..	Interest to 1st Mohurrum - - -	7,657	7
Rubbee ool awul	25. ..	One pair bajoobunds, at 6 months' credit	660	0
	23. ..	Four dooputtas - do. - 515 0		
	..	One piece of kimkhab do. - 350 0	865	0
Rubbee oo sanee	15. ..	Interest to 1st instant - - - -	7,751	0½
	..	Hurjeemul and Luchmun Dos - -	5,000	0
	16. ..	Jewellery, at 6 months' credit - -	9,714	0
	20. ..	Cash on chittees of Dowlut Ram -	15,000	0
	21. ..	Do. on - - - do. - - -	279	8
	29. ..	Five dooputtas, at 6 months' credit from 20th instant - - 645 1		
	..	Two pair dorea - - - 57 10		
	..	Thirteen pair malduhee - 247 0		
	..	One ring - - - - 480 0		
	..	One pair poucheos - - 410 0		
	..	Two pices kimkhabs - - 273 0		
	..	Thirty-five and a half pair fourteen punjum cloth - 497 6		
		One shawl - - - - 150 0	2,759	11
		Carried forward -	5,24,949	2¾

Cr.

			Hyderabad Rupees.	A.
H. 1230:— F. 1224.		Brought forward - -	3,84,978	12¼
Rujeb ..	22.	By cash - - - - - - - -	1,000	0
	25. ..	Meer Hydaet Ali - - - -	10,000	0
Shabaun..	3. ..	A transfer from 26th Jemadee ool awul last	46	14¾
	11. ..	Hoondees on the following:		
		Rajuppa Kotekul, due 5th Rumzaun - - - - 1,603 0		
		Kistnuppa Naig, two due 5th Rumzaun - - 5,100 0		
		Do. one due, 7th do. - 3,500 0	10,203	0
	21. ..	Bills on Rajuppa Kotekul, due		
		7th Rumzaun - 3,000 0		
		11th - - - - 4,550 0		
	..	On Kistnuppa 9th - - 5,000 0	12,550	0
	..	Part of bill on Ragoba Kotekul, due 13th	150	0
	22. ..	Cash received amount bill on do. - do. - - 5,675 0		
	..	Do. on Kistnuppa do. - 8,025 0	13.700	0
	23. ..	Cash on bills, on Kistnuppa, due 13th Rumzaun - - - 1,000 0		
	..	Do. - on Rajuppa Kotekul 5,226 0	6,226	0
	24. ..	Cash on bills, on Kistnuppa, due 15th Rumzaun - - - 875 0		
	..	Do. - on do. due 15th do. 645 0		
	..	Do. on Rajuppa Kotekul do. 3,125 0	4.645	0
	28. ..	Cash on your bill on Kistnuppa, due 11th Rumzaun - - 1,812 0		
	..	Do. on Rajuppa, 15th do. 2,925 0	4,737	0
	30. ..	Cash on your bill on Kistnuppa, due 11th Rumzaun - - 2,000 0		
	..	Do. on Rajuppa, 15th do. 3,600 0	5,600	0
Rumzaun	1. ..	Bill on Tumsookh, &c. due 4th instant - - - 5,000 0		
	..	Do. on Kistnuppa 7th do. - 5,000 0	10,000	0
	5. ..	Cash on bill on Kistnuppa, 11th instant - - - 2,000 0		
	..	Do. on Rajuppa, 15th do. 1,840 0	3,840	0
	9. ..	Cash - - - - - - - -	1,500	0
	..	Chittees of Rajuppa Kotekul, due 19th instant - - - - - -	14,000	0
	7. ..	Do. - of Behara Lal - - -	4,000	0
	26. ..	Transfers of Sureenoas Rao Inkajee -	12,700	0
	..	Do. from 15th instant - - -	500	0
	..	Sureenoas Rao Inkajee's chittee, due 1st instant - - - - - -	12,862	13
	..	Transfer on account Sureenoas Rao Inkajee	165	0
	..	Do. - do. - - - -	135	0
	..	Part of your bill on Ragoba Kotekul, due 13th Rumzaun omission above on 21st Shabaun - - - -	2,500	0
		Carried forward -	5,16,039	8

[Account No. 1.—Folio 4.]

MOONEER-OOL MOOLK *in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr. *Cr.*

H. 1230.—F. 1221.			Hyderabad Rupees.	A.
		Brought forward -	5,24,949	2¾
Jemadee ool awul	1.	To cash on your draft - - - - -	20,048	0
	2. ..	Do. paid Verasamy on your draft -	699	13½
	3. ..	Do. - do. - do. - -	29	2½
	..	Three sirpainches at six months' credit, from 29th ultimo, with an utturdan -	5,750	0
	..	Two pair ponchees, at six months' draft, from 1st instant - - - -	760	0
	..	Two sirpainches - do. - 4th do. -	255	0
	4. ..	Bill in favour of Motee Sing, 1st Jemadee oo sanee - - - - -	32,655	0
	..	Do. - do. - do. - do. 1st Rujeb	4,000	0
	6. ..	Draft in favour of Rumzaun Khan, due in two months', from 1st instant	400	0
	7. ..	Cash paid on your draft to M. Nizam, due in two months - - - -	966	14
	..	Discount on above - - - - -	36	2
	14. ..	Cash paid your draft to Soobia, due end of this month - - - - -	1,153	7
	..	Discount on above - - - - -	11	9
	19. ..	A sirputta and sixty pearls - -	3,435	15
	25. ..	Your draft on us to Ramjemul, &c., dated 1st Jemadee oo sanee - -	2,914	0
	27. ..	A jeweller's box, at six months' credit, from 22d instant - - 100 0		
	..	China ware - - - - 416 14		
			516	14
Jemadee oo sanee	1.	Your draft on us to Birjuttun Dos, due end of Rujeb - - - -	5,764	0
	5. ..	Cash on your draft - - - - -	5,000	0
	6. ..	One pair shawls, at six months' credit, from 22d ultimo - - 175 0		
	..	One pair do. do. 4th instant - 225 0		
			400	0
	16. ..	China ware, at six months' credit, from 28th ultimo - - - - - -	251	4
	..	Forty pearls, do. - - 254 0		
		Two pairs bhoojbunds - 730 0		
		Four sirpainches - - 560 0		
			1,544	0
	17. ..	One sirpainch and one jeegah, at six months' credit - - 850 0		
	..	A diamond ponchee, do., from 1st Rujeb next - - 16,000 0		
			16,850	0
Rujeb	3. ..	One pair one bhoojbunds, and three jeegahs, at six months, from 27th ultimo - - - - - -	1,622	0
	19. ..	Six diamonds, at six months, from 1st instant - - - 174 1		
	..	Five pearls - - - - 390 12		
			564	13
	..	Two pair summundur and four romauls, from 14th instant - - - -	456	0
	22. ..	Your draft in favour of Motee Ram Fotedar - - - - - - -	2,000	0
Shabaun ...	3. ..	Do. of Mohkumjeer, due 1st Rumzaun	4,705	10½
	..	Discount on above - - - -	44	5½
	8. ..	One pair bhoojbunds, at six months' credit, from 24th Rujeb - 2,000 0		
	..	Sundries added to above - 750 0		
			2,750	0
	..	Two pairs bhoojbunds, at six months, from 26th Rujeb - - 1,885 0		
		One sirputta, one har, one pair dust-bunds; and one teekah - 4,625 0		
			6,510	0
	..	One har, at six months, from 27th Rujeb - - - - - - -	550	0
	..	One pair bhoojbunds, three hars, two tooras, one chumpakully - - One sirputta and twenty-one pearls, at six months' credit, from 3d Shabaun - - - - - -	11,535	0
	11. ..	Twelve maunds candles, at six months, from 23d Rujeb - - - -	330	0
	..	Seven dooputtas and five pieces kimkhabs, from 24th Rujeb - - - -	2,319	0
	..	Five pair of hurnamgir and one piece kimkhab, from 26th Rujeb - -	1,381	8
	..	Twenty-two dooputtas and eight pieces kimkhabs, from 1st Shabaun - -	5,130	0
	12. ..	Cash in part of your draft on us for Rs. 25,000 - - - - -	9,681	10
	15. ..	Do. - - - do. - -	3,097	0
		Carried forward -	Rs. 6,81,067	2¾

H. 1230:—F. 1224.		Hyderabad Rupees.	A.
	Brought forward -	5,16,039	8
	Carried forward -	Rs. 5,16,039	8

[Account No. 1.—Folio 5.]

MOONEER-ŭOL MOOLK *in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr. *Cr.*

H. 1230:— F. 1224.		Hyderabad Rupees.	A.
	Brought forward	6,81,067	2¾
Shabaun 14.	To Cash in part of your draft Rs. 25,000	5,271	6
	.. Do. paid your draft to Meer Jaafur	2,400	0
15.	.. Cash	4,950	0
17.	.. Cash in payment of yonr draft for Rupees 25,000	2,000	0
	.. Two pair shawls, at six months' credit, from 10th inst.	169	0
19.	.. Cash paid your draft on us, due 18th ult.	5,000	0
22.	.. Interest to 29th Jemadee oo sanee last	9,677	7½
	.. Two pieces kimkhabs, at six months' credit, from 2d ult.	410	0
	.. Your draft on us, due 21st Rumzaun	24,774	3
Rumzaun 1.	.. Bills drawn in favour of the following:—		
	Buldee Sing, &c., due 1st Shuwaul — Rs. 5,000 0		
	Servants — 11,873 5		
	Kumatees — 2,000 0		
	Mootosuddees, &c., due 15th inst. — 6,514 6		
	Do. — 1st Shuwaul 4,449 12		
	Mohummud Nizam, 15th do. — 948 0		
	Foujdar Khan, 1st do. — 13,003 0	43,788	7
3.	.. Your draft on us, due 1st Shuwaul	3,507	0
1.	.. Huzareemul L. Doss, for acceptance of your draft of	12,000	0
4.	.. Error in transfer of chittee of Tunsookh and Mohun Loll	5,000	0
7.	.. Your two drafts on us, due 1st Shuwaul, in favour Mahomed Meamutollah Khan Rs. 1,302 14		
	Moorad Ali Khan — 985 0	2,287	14
8.	.. Your draft on us in favour Mowlawee Moorteza, due 1st Shuwaul	3,677	0
	.. Do. on Lunnacollah Khan, due do.	1,689	0
12.	.. Three drafts in favour of the following, due 1st Shuwaul next:—		
	Cossim Ali Khan — Rs. 1,959 0		
	Khajah Yacoob Khan — 753 0		
	Mahomed Nihr Ali Khan 494 0	3,206	0
17.	.. Puddumsee and Neynsee, returned chittees of Kistnuppa Naig, cancelled per Cr. 5th inst.	5,100	0
20.	.. Purchase of green cloth	726	9½
	.. Your draft in favour of Nutkurrum, due 1st Shuwaul next	585	12
21.	.. Draft, dated 3d inst., and due 15th inst.	1,015	0
22.	.. Feed of elephants	150	8
26.	.. Paid in part of your draft for Rs. 5,000 in favour of Mootee Ram Fotedar	3,500	0
29.	.. Your draft in favour of Mr. C. Russell, due 2d Shuwaul	1,500	0
	.. Interest to this date	9,798	12¾
	Rupees	8,33,251	2½

H. 1230:— F. 1224.		Hyderabad Rupees.	A.
	Brought forward	5,16,039	8
Rumzaun 29.	By balance due to us	3,17,211	10½
	Rupees	8,33,251	2½

(Errors Excepted.)

Hyderabad,
H. 1230, F. 1224, Rumzaun 29.

(Signed) WM. PALMER AND Co.

A true Copy.
(Signed) GEO. SWINTON,
Secretary to Government.

[Account No. 2.—Folio 1.]

MOONEER-OOL MOOLK *in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr.

H. 1230 :— F. 1225.			Hyderabad Rupees.	A.
Shuwaul....	1.	To balance due to us	3,17,211	10½
	4. ..	Cash paid your draft of 3d inst. to Mootee Ram Fotedar	2,000	0
	8. ..	Two pieces agabance, at six months' credit, from 25th ult.	86	0
	3. ..	Seventeen yards velvet	136	0
	14. ..	Your draft to Heera Chund and Manick Chund, due 15th Rumzaun last	4,954	0
	..	Your draft in favour Telos Chund, due 20th Zeekaud	7,931	0
	..	Your chittee in favour Ula Chak, due 1st Mohurrum	2,200	0
	15. ..	Five sirpainches, at six months' credit, from 3d inst. Rs. 2,175 0		
	..	One har 575 0		
	..	Four jeegahs 1,500 0		
	..	One bhoojbund 1,300 0		
	..	Four diamonds in a bhoojbund 1,550 0		
	..	One bored emerald 735 0		
			7,835	0
	27. ..	Twenty pieces selahs, at six months' credit, from 1st instant	360	0
	20. ..	Two pair shawls, at six months' credit	200	0
Zeekaud....	5. ..	Your draft in favour Ramsukh Modhee, due 1st Mohurrum	5,400	0
	18. ..	Three hars, at six months' credit, from 1st inst. Rs. 2,925 0		
	..	Three sirputtas 3,995 0		
	..	Two jeegahs 500 0		
	..	One sirpainch 300 0		
	..	Two pairs dustbunds 1,220 0		
			8,940	0
	29. ..	Cash on draft	1,000	0
Zechijj	1. ..	Do. do.	1,000	0
	5. ..	Five maunds candles, at six months' credit	190	0
H. 1231.				
Mohurrum..	3. ..	Cash on your draft for Rupees 8,000	8,000	0
	21. ..	Do. paid your draft to Mootee Ram Fotedar	5,000	0
	23. ..	Do. on your draft dated 1st Suffer, due in one month	712	8
	..	Discount on the above	5	6
	26. ..	Cash paid your draft to Verasaumy, due 15th Rubbee ool awul	637	6½
	..	Discount on the above	10	9½
	29. ..	Part your draft in favour Mootee Ram for Rupees 10,000	5,000	0
Suffer.....	1. ..	Paid chittee in favour Goolgar Khan's horsemen, due 1st Rubbee ool awul	5,671	0
Mohurrum	30. ..	Cash in full your draft for Rs. 10,000	5,000	0
Suffer.....	4. ..	A breakfast-set (cups, &c.), six months' credit, from 29th Mohurrum	225	0
	5. ..	Cash paid your draft in favour of Syud Mahomed and Syud Ali Akber	2,400	0
	..	Mootee Ram Fotedar, for the following drafts in favour of		
		Emanmood Deen, due 15th Rubbee ool awul Rs. 825 0		
		Sorbunna Bukal, 30th do. 238 0		
		Setee Turnbolee, do. 349 9		
		Sooltana Ali Buhora, 10th do. 867 0		
		Forward Rupees 2,279 9		
		Carried forward Rupees	3,92,105	8½

Cr.

H. 1230 :— F. 1225.			Hyderabad Rupees.	A.
Shuwaul ..	8.	By cash	6,750	0
	..	Transfer of Kistnuppa	500	0
	15. ..	Ragoba Naig Ketekul	259	0
	19. ..	Cash from Kistnuppa	2,800	0
	27. ..	Chittees of Ragoba Ketekul, due 16th Zeekaud Rs. 9,700 0		
		18th do. 5,000 0		
			14,700	0
Zeekaud ..	26. ..	Hoondee of Kistnuppa, due 15th Rumzaun last	2,500	0
Zeehijj	7. ..	Cash do. do. due do.	390	0
	25. ..	Raee Nanuck Ram, transfer from 16th Rubbee ool awul last	10,654	10½
H. 1231.				
Mohurrum	16. ..	Do. transfer from do.	1,345	5½
Suffer	18. ..	Received in chittee of Beharee Lal	4,000	0
	..	Ragoba Naig Ketekul, in following dates :—		
		9th instant Rs. 32,960 0		
		15th do. 7,000 0		
		17th do. 8,000 0		
		19th do. 11,000 0		
		21st do. 14,000 0		
			72,960	0
Rubbee ool awul	26.	Cash received into Dookan at Juggyapett Rs. 11,000 0		
	..	Less discount two per cent. exchanged 220 0		
			10,780	0
	..	Meer Hydaet Ali, transfer from 26th ultimo	6,395	7½
Jemadee oo sanee	5. ..	Received on account Meer Hydaet Ali	824	8½
	..	Soobunna Goolburgee, on following dates :—		
		19th instant Rs. 5,000 0		
		20th do. 5,000 0		
		21st do. 10,000 0		
		22d do. 15,000 0		
			35,000	0
	24. ..	Cash in chittee of Beharee Loll	4,000	0
	18. ..	Ragoba Naig Ketekul	6,000	0
	20. ..	Do.	4,000	0
	21. ..	Do.	10,000	0
	22. ..	Do.	23,000	0
	23. ..	Do.	22,000	0
	28. ..	Do.	15,000	0
Rujeb	14. ..	Cash in a hoondee	3,000	0
	30. ..	Do. do.	6,028	0
Shabaun ..	2. ..	Do. do.	5,500	0
	3. ..	Do. do.	200	0
	6. ..	Do. do.	2,000	0
	11. ..	Do. do.	3,000	0
	2. ..	Meer Hydaet Ali	1,750	0
	19. ..	Cash from Kudpa Kistmunna	1,272	0
		Carried forward Rupees	2,76,609	0

[Account No. 2.—Folio 2.]

MOONEER-OOL MOOLK *in Account Current with* Messrs. WILLIAM PALMER AND Co.

HYDERABAD

Dr.

H. 1231 : — F. 1225.			Hyderabad Rupees.	A.
		Brought forward - -	3,92,105	5¾
Suffer....	5.	To amount brought forward - 2,279 9		
		Nynsookli Porraumall, due 10th Rubbee ool awul - 871 0		
		Domestics, 30th Suffer - 18,883 13		
		Do. - 10th Rubbee ool awul 12,495 7		
		Do. - 30th - do. - - 11,738 9	46,268	6
	6. ..	Mootee Ram Fotedar for the following drafts in favour of		
		Muhmood Nizam, due 15th Rubbee ool awul - - 1,123 10		
		Abdool Hukeem, 15th do. 843 8		
		Luchmee Kuntram, - do. 1,733 8		
		Hajee Ameeroollah, 30th do. 725 0	4,425	10
	8. ..	Your draft in favour of Mootee Ram -	5,000	0
	9. ..	Do. - to Chuttakamean, dated 2d Suffer	4,664	0
	..	Do. - to gardeners of the Baradunee dated 1st instant, due end of Suffer Rs. 2,003 8, and Rubbee ool awul Rs. 2,003 8 - - - - -	4,007	0
	..	Interest at one and a half per cent. in your account to end of Zeehijj last - -	10,947	1¾
	..	Drafts of this date in favour of the following :		
		Ahmud Ali Khan, due end of Rubbee ool awul - - - 1,258 10		
		Luchmee Kuntram, 15th do. 235 3	1,493	13
	10. ..	Draft of this date, due 10th Jemadee ool awul - - - - - -	5,888	0
	..	Do. - in favor of Moolawee Murtezza	5,675	0
	19. ..	Your draft in favour of the following :		
		Untoo Suraff, due this day 400 0		
		Ahmud Ali Khan, 10th Rubbee ool awul - 1,000 0		
		Sher Ali Beg, 30th Rubbee oo sanee - 567 6		
		Kutoo for Kumatees, 30th Rubbee ool awul - - 3,894 13		
		Do. - for domestics, 15th Rubbee ool awul - 11,734 5	17,596	8
	19. ..	Draft to Yeahool Moolk, due end Rubbee oo sanee -	3,000	0
	22. ..	Draft to Meer Guhoon Oollah Khan do.	3,478	0
	23. ..	Your draft in favour Mootee Sing do.	22,986	8
	..	Your draft on us to this date - do.		
		1,600 0		
		281 0		
		535 0		
		7,222 0		
		4,000 0		
		300 0		
		3,937 0	17,875	0
	16. ..	Draft of this date to Chubeela Ram, due end of Rubbee ool awul -	4,000	0
	23. ..	Draft of this date to Chutterbooj Dos, due end Rubbee oo sanee - -	306	0
Rubbee ool awul	3.	Your draft to Heera Chund, &c., dated 23d Suffer, due end Rubbee oo sanee	3,963	0
	1. ..	Do. to Ramsookh, Jeweller do. do.	684	0
	..	Do. to Baker Ali Khan 16th do. - do.	2,188	3
	7. ..	Do. to Pukkasee - 23d do. - do.	70	0
	..	Fifty pieces cloth at six months' credit	656	4
	..	Your draft in favour Mahomed Kasim Buhesa, dated 28th Suffer, due end Rubbee oo sanee next - - -	998	0
	11. ..	One har and one kurunphool, at six months' credit - - - -	2,490	0
	18. ..	Your draft in favour Chubeela Ram, dated 7th Suffer, due end Rubbee oo sanee next - - - -	23,910	0
		Carried forward	5,84,675	11¼

Cr.

H. 1231 : — F. 1225.			Hyderabad Rupees.	A.
		Brought forward -	2,76,609	0
Rumzaun 18.		By Ragoba Naib Kotekul on following dates :		
		18th instant - - 7,074 0		
		20th - - - - 6,000 0		
		22d - - - - 18,000 0		
		26th - - - - 15,000 0		
		2d Shuwaul last - 5,000 0		
		6th - do. - - 6,000 0	57,074	0
	30. ..	Soobunna Goolburgee on following dates :		
		18th instant - - 8,000 0		
		20th - - - - 19,000 0		
		22d - - - - 21,921 0		
		6th Shuwaul last - 5,000 0	53,921	0
	..	Soobunna Goolburgee on following dates :		
		(Omitted to be entered on 9th Suffer above)		
		9th Suffer - - 2,000 0		
		11th - - - - 28,000 0		
		13th - - - - 18,000 0	48,000	0
		Hyderabad Rupees	4,35,604	0
		Carried forward -	4,35,604	0

[Account No. 2.—Folio 3.]

MOONEER-OOL MOOLK *in Account Current with* Messrs. WILLIAM PALMER and Co. *HYDERABAD.*

Dr.

H. 1231 :— F. 1225.			Hyderabad Rupees.	A.
		Brought forward	5,84,675	11¼
Rubbee ool awul	18.	To your draft on us, dated 23d Suffer, due end Rubbee oo sanee next	471	0
		.. Do. in favour Mahadeogur, due 1st Shabaun next	26,970	0
Rubbee oo sanee	1.	Interest on your account, at two per cent. per month, to 1st Rubbee oo sanee last	17,894	6½
	5.	.. Two pieces kulandra, at six months' credit	86	0
Jemadee ool awul	5.	Four dooputtas, and scarlet and green cloths, at six months' credit	1,116	7
	10.	.. Mr. Cenwell for medicines	149	2
		.. One sirpainch, at six months' credit	350	0
	17.	.. Cash paid Mootee Ram Fotedar by your order	6,000	0
	29.	.. Bill on Madras for A. Rupees 1,000 on Hurchund Tara Chund, at eight Drs. St. exchange nine and three quarters per cent.	1,097	8
Jemadee oo sanee	1.	Cash paid your draft to Mootee Ram Fotedar, dated 23d ultimo	5,000	0
	7.	.. Do. - to Moolawee Moortezza	3,000	0
	9.	.. Do. - to Untoo Suraff	10,000	0
	12.	.. Do. - to - do.	6,087	5
	20.	.. Your draft in favour Untoo, dated 7th instant, due *this* day	6,044	6
		.. Do. - Gardeners, 5th do. due do.	1,350	0
		.. Do. - Mr. Rae, 5th do. due do.	1,200	0
	14.	.. Two drafts, dated 9th instant, due end this month, favour of Abdool Luteef - - 1,000 0		
		Dismissed horsemen Senshta of Raee Chubeela Ram - 2,000 0	3,000	0
	14.	.. Thirty A. Rupees, exchange 12 - -	31	2
	21.	.. Your draft to Buhramood Dowlah, dated 19th instant, due 15th Rujeb next	7,000	0
	22.	.. Cash paid your draft to Mahomed Ali, dated 9th instant	200	0
		.. Your draft to Muhummud Nizam, due 4th Rujeb next	1,118	8
		.. Do. to Telos Chund, due 30th instant	25,836	15
	26.	.. Six kimkhabs, at six months' credit	3,656	0
	28.	.. Cash paid your draft in favour Mowlawa Moortezza, due 15th Rujeb, dated 23d instant	6,094	3½
		.. Discount on above	36	12½
	17.	.. Four thermometers	147	10
Rujeb.....	1.	.. Interest on your account to end of Jemadee oo sanee last	25,162	3
		.. Your draft to Sunnaoollah Khan, due 15th instant	3,220	0
	4.	.. Cash paid your draft, dated 3d instant, in favour of Untoo	514	6
	7.	.. One dooputta at six months' credit	129	0
	27.	.. Six pieces kimkhabs	1,750	0
	6.	.. One bhoojbund, at six months' credit 315 0		
	14.	.. One kunthee 525 0		
	15.	.. Two pair dustbunds 1,830 0		
		.. Two hundred and fifty-four pearls, weighing one hundred and forty-seven ch. thirteen as. at eleven 1,625 15		
	20.	.. One sirpainch 332 0		
	23.	.. One pair dustbunds 520 0		
	27.	.. One jeegah 350 0		
		.. One pair bhoojbunds 756 0		
		.. One pair do. 655 0		
		.. One pair do. 341 0	7,250	15
	12.	.. One pair bhoojbunds 1,400 0		
	14.	.. Part of a kunthee 800 0		
		Carried forward 2,200 0		
		Carried forward -	Rs. 7,56,639	11¾

Cr.

H. 1231 :— F. 1225.		Hyderabad Rupees.	A.
	Brought forward	4,35,604	0
	Carried forward -	Rs. 4,35,604	0

[Account 2.—Folio 4.]

MOONEER-OOL MOOLK *in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr.

H. 1231 :— F. 1225.			Hyderabad Rupees.	A.
		Brought forward -	2,200	0—7,56,639 11¾
Rujeb	15.	To one Sutludda at six months credit - - -	2,400	0
	27. ..	One har - - - -	1,000	0
	..	A jeegah - - -	300	0
				5,900 0
Shabaun ..	1. ..	Four umbrellas - - - -		79 0
	9. ..	Cash paid in part your draft dated 6th instant Rupees 5,000 - - -		1,400 0
	10. ..	Paid in full of above - - - -		3,600 0
	9. ..	Your draft in favour of Mahomed Sirenday, due 24th Rumzaun - -		1,499 0
	12. ..	Cash paid your draft in favour Verasamy Maistry, due 7th Rumzaun -		891 0
	15. ..	A dooputta at six months' credit -		214 0
	17. ..	Sixteen looking-glasses - - -		2,800 0
	21. ..	Your draft in favour Luchmee Kunt Roro, due 21st Rumzaun - -		740 10
	24. ..	Your draft of this date in favour Cheragh Ali Shah - - - -		2,000 0
	27. ..	Your order in favour of Mr. Rae for glass ware - - - - -		2,097 14
	28. ..	A set of knives and forks at six months' credit - - - - - -		125 0
Rumzaun	10. ..	Your order to Mr. Rae for three lustres		2,564 1½
	19. ..	Three pieces Sumundur at six months' credit - - - - - -		429 0
	17. ..	A bale of scarlet cloth - - -		245 4
	30. ..	Interest on your account from 1st Rujeb to this date - - - -		25,772 7¾
		Hyderabad Rupees		8,06,997 1

Cr.

H. 1231 :— F. 1225.			Hyderabad Rupees.	A.
		Brought forward -	- 4,35,604	0
Rumzaun..	30.	By balance due to us - - -	- 3,71,393	1
		Hyderabad Rupees	- 8,06,997	1

Hyderabad, 30th Rumzaun, H. 1231 : F. 1225.

(Errors excepted)

(Signed) W. PALMER and Co.

A true Copy,

(Signed) GEO. SWINTON.
Secretary to the Government.

[Account No. 3.—Folio 1.]

MOONEER-OOL MOOLK *in Account Current with* Messrs. WILLIAM PALMER and Co. *HYDERABAD.*

Dr.

H. 1231 :— F. 1226.			Hyderabad Rupees.	A.
Shuwaul	1.	To balance brought forward	3,71,393	1
	..	One piece mulmul at six months' credit - - - - -	50	0
	15. ..	170-4 sairs Bengal candles -	68	5
	19. ..	Twenty-three pieces handkerchiefs -	425	4
	21. ..	Three pucka muns Bengal candles, at six months' credit - -	480	0
	..	One piece fourteen Punjam cloth -	14	4
	29. ..	One piece kimkhabs at six months' credit - - - - -	275	0
	12. ..	One do. dustbunds - - -	510	0
	21. ..	Three do. bhoojbunds - - -	1,573	0
	9. ..	One puchludda - - 1,225 0		
	..	One chumpakulla - - 450 0		
	..	One chand soorig - - 350 0		
	..	One chowlapool - - 246 0		
	..	Two rings - - - 125 0		
			2,396	0
	11. ..	Your draft to Mr. Rae for glass ware	2,947	14
	20. ..	Two pieces kimkhabs, at six months' credit - - - - -	335	0
Zeehiij	11. ..	Your order of this date to Mr. Rae for lustres - - - - -	2,719	8
	12. ..	Twenty-five pieces cloth at six months' credit - - - - -	336	4
	20. ..	Six do. shawls - - 1,528 0		
	..	Four do. kimkhabs - 236 0		
			1,764	0
	24. ..	Six and a half sairs Bengal candles, at six months' credit - -	246	0
	..	One Bhoojbund with a diamond, weight one and a quarter rut at 125 2,400 0		
	..	Two pair dustbunds - 710 0		
	..	One jeegah - - - 150 0		
	..	One har - - - 695 0		
	..	Chumpakulla - - 290 0		
			4,245	0
		On six months' credit from 21st Zeekaud last.		
	9. ..	One jehanjeeree, at six months' credit - 375 0		
	..	One arsee - - 250 0		
	.	One teeka - - - 768 0		
	..	One chumpakulla 540 0		
	.	Four bored emeralds attached to a dooludda 90 0		
	..	A pearl dooludda mala 485 0		
	..	Four emerald pendants, weighing seventy-five rut, four as. at forty-five - - - 3,386 4		
	.	One do. sixteen and a half do. at thirty-five 577 8		
			6,471	12
H. 1232. Mohurrum..	2. ..	One sutludda with sixty-four pearls, weighing 181 ch. at nine - - 5,993 12		
	..	One toorah - - - 1,416 0		
	..	Two summorsehs - - 410 0		
	..	One nuth - - 135 0		
	..	Two diamond teekas - 6,421 14		
			14,376	10
	5. ..	Your draft of this date in favour of Behauder Sing - - - -	1,102	14
	18. ..	Sixteen pieces Lenos, at six months' credit - - - - -	960	0
	27. ..	One har and one sirpainch, at six months' credit - - - -	990	0
Suffer	1. ..	Four glasses and three lustres -	5,200	0
	..	Interest to this date - - -	23,680	4
Rubbee oo awul	1. ..	Eighty diamonds, weighing fifty ruttes, seven as. at Rupees 115 -	5,800	5
	15. ..	201 pearls, seventy-four and a half ch. at eleven, six months' credit - 819 8		
	..	Sixteen emeralds forty-seven and a half rut at six months' credit - 760 6		
	..	One toorah - - - 1,752 0		
	..	One sirpainch - - 211 0		
			3,542	14
	17. ..	One maund Bengal candles, at six months' credit - - - -	48	0
		Carried forward - Rupees	4,52,951	3

Cr.

H. 1231 :— F. 1226.			Hyderabad Rupees.	A.
Shuwaul	2.	By amount in chittee of Beharee Lal -	4,000	0
	26. ..	Do. in account bond and securities for Rupees 1,20,000 - - -	50,000	0
Zeekaud	1. ..	Rajah Govind Buksh - - -	10,000	0
	..	Ragoba Naig Ketekul transfer of 22d Shuwaul last - - - -	10,000	0
H. 1232. Rubbee oo sanee	16. ..	Cash received from Meer Hydact Ali - - - - - -	18,000	0
	..	Amount received in account bond Rupees 1,20,000 - - -		
		2d Mohurrum last 25,000 0		
		22d Suffer last - 25,000 0		
			50,000	0
Shabaun	2. ..	Cash from Meer Hydact Ali - -	1,200	0
	..	Transfer of do. - - - -	4,000	0
	6. ..	Cash from do. - - - -	50	0
	22. ..	Do. - do. - - - -	600	0
Rumzaun..	14. ..	Do. do.	150	0
			1,48,000	0

Carried forward 1,48,000 0

[Account No. 3.—Folio 2.]

MOONEER-OOL MOOLK *in Account Current with* Messrs. WILLIAM PALMER and Co.

HYDERABAD.

Dr.

H. 1232:— F. 1226.				Hyderabad Rupees.	A.
		Brought forward		4,52,951	3
Rubbee oo sanee ..	13.	To one sirputta at six months' credit	2,100 0		
	..	One har	1,300 0		
	..	One pair bhoojbund	1,150 0		
	..	One pair dustbund	525 0		
				5,075	0
	20. ..	Twenty pairs shawls	3,457 8		
	..	Four pieces kimkhabs	930 0		
				4,387	8
	25. ..	One pair nowruttun and four sirpainches at six months' credit		668	0
Jemadee ool awul....	5. ..	Thirty pieces Europe chintz		1,338	0
	10. ..	Two lustres and two double branched pillow-shades	2,600 0		
	..	Ten looking-glasses	8,700 0		
				11,300	0
Jemadee oo sanee....		Purchase of table-cloths 29th Zechijj 1229		580	2
	10. ..	One pair of pearls at six months' credit	217 0		
	..	Five sirpainches	1,190 0		
				1,407	0
Rujeb	1. ..	One pair looking-glasses and one telescope at six months' credit		3,110	0
	30. ..	Interest to this date for six months		33,053	7
Shabaun ..	2. ..	Twenty-five pieces fourteen punjum cloth at six months' credit		356	4
	17. ..	Five spy-glasses		398	0
Rumzaun ..	1. ..	One pair looking-glasses	2,200 0		
	..	Seventeen globe lamps	645 0		
	..	Two six light lustres	1,900 0		
	..	Twenty-eight and half sairs Bengal candles	113 0		
				4,858	0
	..	One pair bhoojbund and one sirpainch on 22d Rujeb	720 0		
	..	Four sirpainches, three jeegahs, one pair dustbunds, and one har on 30th Rujeb	3,526 0		
	..	One har do. do.	891 0		
	..	One chumpakulla 1st Shabaun	600 0		
	..	One pair chowlaphool	265 0		
	..	One teeka No. 11, without additions	98 13		
	..	One pair pouches	360 0		
	..	One kullassboota	423 0		
	..	One joognee	57 8		
	..	One sutludda, No. 8, without additions	1,581 0		
	..	One pair kurrumphool	650 0		
	..	Two hundred and thirty-two pearls weighing 88 ch. 1¼ as.	1,383 0		
	..	Seven do. added to a teeka weighing 5 ch. 7 as.	81 9		
	..	Eleven do. do. 2 ch. 6 as.	35 10		
	..	Sixty-two do to a sutludda	294 0		
	..	One pair bhoojbunds on 28th Shabaun	1,195 0		
	..	Two sirputtees 14th Rumzaun	5,696 12		
	..	Three pairs bhoojbunds	3,358 0		
	..	One har	490 0		
	..	One pair dustbunds	1,190 0		
	..	One puddack	885 0		
	..	Ten bored emeralds added to a sirputtee	479 4		
	..	One sirpainch on 17th Rujeb	410 0		
				21,670	8
	20. ..	Eight globe lamps at six months' credit		280	0
		Hyderabad Rupees		5,44,433	0

Cr.

H. 1232:— F. 1226.			Hyderabad Rupees.	A.
		By Amount brought forward	1,48,000	0
Rumzaun ..	30. ..	Balance carried forward (without interest)	3,96,433	0
		Hyderabad Rupees	5,44,433	0

Hyderabad, 30th Rumzaun, H. 1232:— F. 1226.

(Errors excepted.)

(Signed) W. PALMER and Co.

A true copy,)

(Signed) GEO. SWINTON, Secretary to Government

Account No. 4.—Folio 1.]

MOONEER-OOL MOOLK *in Account Current with* Messrs. WILLIAM PALMER and Co. *HYDERABAD.*

Dr.

H. 1232 :— F. 1227.			Hyderabad Rupees.	A.
Shawaul....	1.	To balance (without interest) brought forward	3,96,433	0
	..	Forty-one pieces china	200	0
	2. ..	Two do. red kimkhabs	315	0
	5. ..	Eight hars at six months' credit	6,296	15
	..	Four jeegahs	1,117	0
	..	One pair bajoobunds	3,025	0
	..	Two do. dustbunds	1,471	0
	..	One sirputta	815	0
	..	Three pairs bhoojbunds	2,115	0
	..	Fourteen sirpainches	3,268	0
	..	Eighty-one pearls weighing 20 ch. 7 as. added to a har	85	2
	..	Eighty-one do. 18 - 13	91	13
	..	Seventy-three do. 16 - 4	82	12
	..	Seventy-seven do. 25 - 4	127	6
	.	Two do. 34 - 4 added to a bhoojbund	150	0
	..	Two do. 13 4	56	0
Zeekand..	20. ..	Seven sirpainches at six months' credit 1,164 0		
	..	One har 793 0		
	..	One jeegah 230 0		
			2,187	0
Zeehijj....	1. ..	One pair six-light lustres at six months' credit 4,000 0		
	..	Spare article for do. 300 0		
	..	Three pair pillar shades 1,260 0		
	.	Two chamber lamps 105 0		
			5,665	0
	10. .	Fifteen glasses	3,550	0
		Fifty pieces 11 punjam cloth at six months' from 14th Zeehijj	712	8
	25. ..	Five sirpainches, at six months' credit 718 8		
	..	One pair dustbunds 1,000 0		
	..	One sirputta 3,412 0		
	.	One teeka 1,158 0		
		Three pearls 37 8		
	..	Six do. 48 ch. 6 as. 742 0		
			7,068	0
H. 1233 Suffer	1 ..	One pair eight-light lustres with spare lamps 1,500 0		
	.	Two do. four-light do. do. 6,000 0		
	.	Two spare brackets 50 0		
			10,550	0
	15. ..	Your draft on us in favour Mahomed Sulaood Deen, dated 10th Suffer	761	0
Rubbee ool awul	16.	Your draft on Mr. Woollaston for glass purchased	22,050	0
	23. ..	Interest on chittee of Rupees 1,05,064	2,730	2¼
Rubbee oo sanee	2.	Interest on account closed as per dustkuttee bund to 30th Mohurrum last	36,925	0
	1. ..	Two couches (for ready money) 1,485 0		
	..	Five chairs do. 750 0		
	..	Two moras do. 80 0		
	..	Two gilt figures do. 560 0		
			2,875	0
Jemadee ool awul	1. ..	Four dooputtas at six months' credit	2,625	0
	5. ..	Twenty pieces leno do.	500	0
	15. ..	Six carpets do. 150 0		
	..	Three soozues do. 180 0		
			330	0
	25. ..	Four dooputtas do. 2,675 0		
	..	Four kimkhabs do. 1,750 0		
			3,825	0
Jemadee oo sanee	14. ..	128¾ yards Europe carpeting	1,802	8
	..	One teeka at six months' credit for 29th Rubbee oo sanee 255 0		
	..	One pair baotees do. 246 0		
	..	One sirputta do. 3,450 0		
	..	One pair chowlaphool do. 240 0		
			4,191	0
		Carried forward	5,20,409	2¼

Cr.

H. 1232 :— F. 1227.			Hyderabad Rupees.	A.
Shuwaul..	10.	By amount received from Meer Hydaet Ali, on draft 3d inst.	37,500	0
	..	Do. do. do.	29,500	0
H. 1233. Mohurrum	— ..	Transfer of hoondees, due 5th and 7th inst.	250	0
	6. .	Do. of a hoondee	500	0
	..	Hoondees discounted on following dates.		
		11th instant, one for Rs. 1,000 0		
		Do. do. 300 0		
		Do. do. 200 0		
		12th do. do. 400 0		
		13th do. do. 7,000 0		
		17th do. do. 3,400 0		
		Do. do. 400 0		
		Do. do. 100 0		
		20th do. do. 900 0		
		23d do. do. 1,900 0		
			15,600	0
		Transfer on two hoondees, due 5th and 17th instant	650	0
	6. ..	Cash received from Sree Ram Baimraj	200	0
	9. ..	Cash	3,100	0
	13. ..	Three hoondees on Mool Chund Murheta Mul	1,100	0
	..	Bill on Manick Chund, &c. 11th inst. Rs. 600 0		
		13th do. 1,300 0		
			1,900	0
	9. ..	A transfer	200	0
	12. ..	Cash	1,150	0
	15. ..	A hoondee	100	0
	..	Hoondees, discounted following dates		
		14th instant Rs. 350 0		
		15th do. 200 0		
		Do. 2,530 0		
		17th do. 500 0		
		Do. 100 0		
		18th do. 205 0		
		Do. 835 0		
		Do 500 0		
		19th do. 1,000 0		
		Do. 300 0		
		Do. 100 0		
		21st do. 2,000 0		
		22d do. 3,000 0		
		Do. 500 0		
		Do. 25 0		
		Do. 1,000 0		
		23d do. 2,000 0		
		28th do. 1,500 0		
			16,705	0
	13. ..	Cash	1,275	0
	14. .	A transfer of four hoondees	950	0
	15. ..	Cash	50	0
	..	A draft on Dyaram Suroop Chund Mukhur	170	0
	21. .	Cash	75	0
	..	Hoondees discounted on 23d inst. Rs. 200 0		
		28th do. 100 0		
			300	0
	23. ..	Cash	725	0
	24. ..	Transfer of hoondees in Sunguppa	500	0
		Cash	600	0
		Carried forward Rupees	1,13,100	0

[Account No. 4.—Folio 2.]

MOONEER-OOL MOOLK *in Account Current with* Messrs. WILLIAM PALMER and Co.

HYDERABAD.

Dr.

H. 1233 : — F. 1227.			Hyderabad Rupees.	A.
		Brought forward -	4,191 0	5,20,409 2¼
Jemadee oo sanee	..	To one chumpakullee, from 16th Jemadee ool awul	397 0	
	..	One pair bhoojbunds	700 0	
	..	One pair ponchees -	308 0	
	..	Two pair Nouruttuns	465 0	
			1,870 0	
	..	Thirty-one pearls added to a chumpakullee -	213 0	
	..	Nine sirpainches, one pair do. (No. 47, sold for two hundred and three) -	1,205 6	
	..	Nine pearls on 18th Jemadee ool awul -	48 10	
	..	One har on 28th - do. -	1,325 0	
	..	Twenty-two pearls added to a teeka, on 29th Rubbee oo sanee - - - -	245 0	
7	..	One Joognee - - -	205 0	
				9,303 0
Shabaun . .	1. .	Interest on account to this day, at two per cent. - - - -		29,333 15¾
	..	Your private account transfer balance of this account closed - -		1,88,840 0
			Hyderabad Rs.	7,47,886 2

Cr.

H. 1233 : — F. 1227.			Hyderabad Rupees.	A.
		Brought forward -	113,100	0
Mohurrum	24.	By a transfer - - - - -	225	0
	20. ..	Draft on Dyaram Surroop Chund	3,750	0
	28. ..	Cash on hoondees - - - -	300	0
Suffer. . . .	25. ..	A hoondee discounted - - -	5,000	0
	..	Two drafts due 26th instant - 886 0		
	..	Two hoondees - - - 600 0		
			1,486	0
	26. ..	A hoondee - - - - -	3,000	0
	1. ..	Cash - - - - - -	175	0
	13. ..	A draft discounted - - - -	300	0
	6. ..	Cash - - - - - -	300	0
	8. ..	Do. - - - - - -	200	0
	20. ..	Three hoondees discounted - -	2,100	0
	12. ..	Two do., due 30th Suffer - -	11,000	0
	19. ..	Cash - - - - - -	2,100	0
	20. ..	A transfer - - - -	500	0
	21. ..	Hisam-ool Moolk transferred -	9,700	0
	25. ..	Dyaram Surroop Chund Muktur -	1,000	0
Rubbee ool awul	12.	Draft on us, dated 5th instant, due 5th prox. - - - - - -	12,185	8
	..	Hoondee on Dyaram Surroop Chund Muckhur, transfer from 29th Suffer last	4,000	0
	19. ..	Cash - - - - - -	500	0
	..	A transfer - - - - -	1,000	0
	23. ..	Soobhan Khan, transferred in bond closing Rs. 1,05,064. 11 - -	16,558	13¼
	26. .	Hoondee on Mahanund Ram Kinabun	2,000	0
Rubbee oo sanee	3. .	A transfer - - - - -	9,559	8
	22. ..	Cash - - - - -	1,000	0
Jemadee ool awul	1.	Byaram Surroop Chund Mukhur, transfer of 30th Rubbee ool awul last -	3,000	0
	3. ..	Cash -	283	10
	4. ..	Do. - -	216	6
Jemadee oo sanee	8.	A transfer hoondee of Venkajee Termuk - - - -	11,500	0
	..	Do. do. - -	3,000	0
	11. ..	Cash on hoondees - - -	11,062	8
	13. ..	Do. on hoondee of Venkajee	2,425	0
	8. ..	Transfer of Venkajee Termuck - -	2,500	0
	14. ..	Do. - - do. -	1,000	0
	..	Do. - do. - -	11,500	0
	12. ..	Do. - do.	1,000	0
	23. .	Cash - - -	12	8
Shabaun ..	.	Cancelled entry of purchase of table cloth, on 29th Zeehijj H. 1229	560	2
			2,49,119	15¼
	1. .	Balance carried forward	4,98,766	2¾
			Hyderabad Rs.	7,47,886 2

H. 1233 : —
F. 1227.

E. E.

(Signed) WM. PALMER and Co

Hyderabad,
1st Shabaun.

[Account No. 4.—Folio 3.]

MOONEER-OOL MOOLK *in Account Current with* Messrs. WILLIAM PALMER and CO. *HYDERABAD.*

Dr.

H. 1233:— F. 1227.				Hyderabad Rupees.	A.
Shabaun .. 1.	To balance brought forward			4,98,766	2¾
..	Your subscription to Chunumbur, per your draft in his favour			1,000	0
..	Eight pair shawls, at six months' credit		Rs. 2,230 0		
..	Fourteen yards three Girehs green cloth		241 0		
				2,471	0
..	Three bhoojbunds, at six months' credit, on 4th Rujeb		Rs. 924 4		
..	Two jeegahs		355 8		
..	Five pearls, added to sundries		75 4		
			Rupees 1,355 0		
..	Two bhoojbunds, on 12th Rujeb	Rs. 366 15			
..	Two pearls	30 1			
			397 0		
..	One bala, 13th do.		805 0		
				2,557	0
6. ..	One sirpainch	346 2			
..	One har	605 0			
..	Two pair dustbunds	1,307 0			
..	One pearl	88 14			
			2,347 0		
17. ..	One pair bhoojbunds	1,210 0			
..	One har	951 0			
..	One sutludda	260 0			
		Rupees 2,421 0			
..	One bored emerald	70 0			
..	Pearls for a sutludda	1,540 0			
			4,031 0		
19. ..	Two hars	2,341 15			
..	Sixty-nine pearls, 56 ch. 2¼ as.	252 10			
..	One bored emerald	80 7			
			2,675 0		
21. ..	One pair dustbunds		425 0		
				9,478	0
24. ..	One pair shawls			655	0
27. ..	One pair dustbunds	540 0			
..	One har, No. 16	919 0¾			
..	Sixty-nine pearls added to har No. 16	155 15¼			
			1,615 0		
29. ..	One pair bhoojbunds	1,135 0			
..	Eighty-eight diamonds, twenty-seven ruttees, thirteen anas	1,648 12			
..	Six emerald pendants	398 12			
			3,182 8		
				4,797	8
Rumzaun 15. ..	One pair eight-light lustres, at six months			5,000	0
			Hyderabad Rupees	5,24,724	10¾

Cr.

H. 1233:— F. 1227.			Hyderabad Rupees.	A.
Rujeb ..	— By draft dated 1st Shabaun, due 1st Rumzaun last		29,760	4
Rumzaun 8. ..	Cash		750	0
..	A har No. 15, returned sold 19th Shabaun	Rs. 1,147 6		
..	Pearls added to above	252 10		
			1,400	0
14. ..	A transfer		750	0
8. ..	Do.		500	0
..	Transfer of two bills, due 30th Rumzaun	Rs. 4,000 0		
	3d Shuwaul next	4,700 0		
			8,700	0
..	Do. of bill on Beharee Loll, due 7th Shuwaul next		4,000	0
20. ..	Cash		150	0
22. ..	Do.		100	0
		Rupees	46,110	4
Rumzaun 30.	By balance due, as carried forward	Rs.	4,78,614	6¾
		Hyderabad Rupees	5,24,724	10¾

H. 1233.—
F. 1227.

(Errors Excepted.)
(Signed) W. PALMER and Co

Hyderabad,
30th Rumzaun.

(A true Copy.)
(Signed) GEO. SWINTON,
Secretary to Government.

[Account No. 5.—Folio 1.]

MOONEER-OOL MOOLK *in Account Current with* Messrs. WILLIAM PALMER and CO. *HYDERABAD.*

Dr.

				Hyderabad Rupees.	A.
H. 1233 :— F. 1227.					
Shuwaul	1.	To balance brought forward		4,78,614	6¾
	15.	.. Twenty-five bottles of vinegar		87	8
		.. Your draft on us to Mr. C. Daw for repairs of your house at Aurungabad		4,000	0
		.. Twenty-two pieces of lenos, at Rs. 62, and twenty-five pieces fourteen punjum cloth, at six months' credit		1,720	4
	9.	.. Two pairs bhoojbunds, at six months' credit	1,550 0		
		.. One pair bajoobund	775 0		
		.. Two pair dustbunds	1,340 0		
		.. Two sutluddas	4,665 0		
		.. One har, No. 15	1,097 6		
		.. Sixty-nine pearls added to above har	252 10		
		.. One har	864 0		
	15.	.. Seed pearls	133 8		
				10,677	8
	25.	.. A desert service		700	0
Zeekaud	7.	.. Twenty sairs nutmegs, at Rs. 13, and twenty sairs mace, at Rs. 18, at six months' credit		620	0
	5.	.. Four pairs shawls, at six months' credit	3,483 0		
		.. One pair kadee	2 6		
		.. Two breakfast sets	200 0		
				3,685	6
Zeehijj	5.	.. Four pairs shawls		860	0
	1.	.. Your draft in favour Beekum Chund and Dunroop		17,991	0
		.. Your draft on us in favour Buhadoor Sing, due 30th Mohurrum next		13,884	0
		.. Five sirpainches, at six months' credit, from 25th Zeekaud, 10th, one pair bhoojbunds	2,565 0		
	14.	.. Seven do.	1,298 0		
				3,863	0
	15.	.. Twenty pairs shawls		1,640	12
		.. Cash paid for feed of elephants, 30th Shabaun 1233	126 15		
		30th Rumzaun	248 1½		
		14th Shuwaul	106 ½		
				481	1
	20.	.. Eight sirpainches, at six months' credit	1,001 0		
		.. One balla	800 0		
		.. Two pearls	13 0		
				1,814	0
H. 1234. Mohurrum	1.	.. Ten rolls red velvet	935 0		
		.. One kaleidoscope	25 0		
		.. Two bottles snuff	7 0		
				967	0
	5.	.. Transfer of your draft on account of Syud Noorool Oroleah		909	14
		.. Five pair shawls, on 3d, 5th, 7th, and 15th instant, at six months	1,215 0		
	15.	.. Thirty-six and a half yards green cloth, at 16	584 0		
				1,799	0
Suffer	10.	.. Your draft on us for Rs. 4,000, due this day		4,000	0
Rubbee ool awul	6.	Your draft to Mohummud Sulah ood Deen for his tunkha		900	0
		.. Feed of elephants, 14th Zeekaud		122	2½
		.. Purchase of spices, 15th Mohurrum		262	8
		.. Interest for six months, to 30th do.		56,345	13¾
		.. Syud Khyrood Deen's allowance, to 30th Mohurrum		900	0
		.. Interest received from Nizam Yar Jung, 12th Shuwaul, cancd. per cr.		26	9½
	9.	.. Seventeen bottles vinegar, at Rs. 3½, at six months' credit		59	8
	27.	.. Four snuff boxes		179	0
Rubbee oo sanee	5.	Two pieces Dorea		63	0
		.. A chund of a har, No. 50		98	0
	2.	.. Eighteen pairs shawls		3,894	0
	25.	.. One green Europe shawl		175	0
	26.	.. Three Benares handkerchiefs		317	14
Jemadee ool awul	29.	.. Two sutluddas	9,400 0		
		.. A sanj of a sutludda	300 0		
		.. One sirputtee	1,200 0		
		.. One sirpainch	405 0		
		Carried forward	11,305 0		
		Carried forward		Rs. 6,11,658	3½

Cr.

				Hyderabad Rupees.	A.
H. 1233 :— F. 1227.					
Shuwaul	6.	By cash from Nizam Yar Jung		1,150	0
	12.	.. Do. do., cancelled per Dr.		26	9½
Zeekaud	7.	.. Transfer of draft, on Beharee Loll		2,000	0
H. 1234.					
Mohurrum	19.	.. A draft, dated 5th Mohurrum		5,151	0
Jemadee oo sanee	3.	.. Cash		20	0
		.. Do.		500	0
×	9.	.. Five bills	1,280 0		
	10.	.. Three do.	1,920 0		
		.. One do.	100 0		
	11.	.. Three do.	1,120 0		
	14.	.. Four do.	3,475 0		
	15.	.. Eight do.	3,934 12		
	16.	.. Three do.	573 0		
	19.	.. Four do.	1,250 0		
	21.	.. One do.	250 0		
	25.	.. Five do.	2,449 0		
	29.	.. Nine do.	2,149 0		
		.. Three do., 5th Rujeb	1,300 0		
		.. Six do., 7th do.	2,155 0		
		.. One do., 9th do.	1,000 0		
				22,955	12
	3.	.. Bill on Surroop Chund		500	0
	11.	.. Bill on Dyaram Surroop Chund		1,500	0
Rujeb		.. Three bills on Luchmun Dos and Surroop Sorkh, 25th Jemadee oo sanee		850	0
		.. Cash bill for Rs. 91, 25th do.		91	0
×		.. Two bills on Oodhee Ram Bukshee Ram, omitted above:			
		10th Jemadee oo sanee	652 0		
		14th do.	1,971 0		
				2,623	0
Shabaun	5.	.. Cash		500	0
	21.	.. Bill on Pyasee Ram and Guneish Dos		500	0
Rumzaun		.. Rajah Chundoo Loll's draft on us, due 1st Suffer		1,06,568	13
		.. Transfer of a bill credited to using account, 29th Jemadee oo sanee		200	0
		Carried forward		Rs. 1,45,136	2½

[Account No. 5.—Folio 2.]

MOONEER-OOL MOOLK *in Account Current with* Messrs. WILLIAM PALMER and Co.

HYDERABAD.

Dr.

H. 1234 :— F. 1227.			Rupees.	A.
		Brought forward - Rs. 11,305 0	6,11,658	3½
Jemadee ool awul	29.	To one jugale, at six months' credit - - - - - 270 0		
		.. One pair of bhoojbunds - 2,080 0		
		.. Two pair of dustbunds - 2,780 0		
		.. Two hars - - - 1,850 0		
		.. One do., without a doog 2,450 0		
		.. Pudduk of a kuntha - 165 0		
			20,900	0
Jemadee oo sanee	1.	.. Two dooputtas - - 1,075 0		
		.. Two Patna turbans, 23d Jemadee ool awul - 44 0		
			1,119	0
	24.	.. Three statues, at six months' credit -	713	0
	25.	.. Twenty-five pieces fourteen Punjum cloths - - - - - - -	387	8
Rujeb	1.	.. One hundred and twenty-five yards carpeting, at Rs. 14, six months' credit - - - - - -	1,750	0
		.. One sirputtee, at six months from 29th Jemadee oo sanee Rs. 1,470 0		
		.. One pair dustbunds - 840 0		
		.. One sutludda of pearls - 2,590 0		
		.. One pair of bajoobunds - 3,080 0		
			7,980	0
	10.	.. Nine pair of shawls, at six months' credit - - - - - -	1,873	0
Shabaun	15.	.. Twenty-four bottles of peppermint, at six months' credit - - -	120	0
Rumzaun	1.	.. Three large looking-glasses - Rs. 19,687 8		
		.. One pair of glasses - 6,000 0		
		.. Fifteen pairs of kimkhabs 1,478 0		
		.. Fifty-four dooputtas - 5,446 12		
	2.	.. Four do. - - - 356 0		
			32,968	4
	6.	.. Eighteen pairs shawls - - -	4,237	0
		.. Interest to 30th Rujeb - - -	56,080	9½
		.. Mahomed Khyrood Deen's allowance to 30th Rujeb - - - -	900	0
		.. Transfer of a bill at your credit, 3d Jemadee oo sanee - - -	500	0
		.. Forty pearls, on 2d Rujeb Rs. 350 0		
		.. Twelve do., on 5th do. - 320 0		
		.. One pair chowdances, one pair bortas, and one pair chowlaphool, on 9th Rujeb 155 0		
		.. One tecka - 11th do. 75 0		
		.. Two pairs dustbunds, 25th do. 475 0		
		.. One pair nowruttuns, 30th do. 560 0		
		.. One kunthee, without pudduk, 8th Shabaun Rs. 4,570		
		.. One pudduk, No. 35 - 532		
		5,102 0		
		.. One pair bhoojbunds, and one pair dustbunds, 11th Shabaun - - - 2,131 0		
		.. One sirpainch, 12th do. - 175 0		
		.. One do. - 24th do. - 315 0		
		.. Two bhoojbunds and two pearls, 26th do. - - 402 0		
	9.	.. One pair dustbunds and three sirpainches - - 981 0		
	10.	.. One har - Rs. 2,520 0		
		.. One pair bhoojbunds - - 1,900 0		
		.. One pair dustbunds - - 1,400 0		
		.. One sutludda - 7,000 0		
		12,820 0		
	15.	.. One pair nowruttuns - - 270 0		
		.. One sirpainch - 160 0		
		.. One pair jehangeer 412 0		
		842 0		
		.. One sirpainch, 3d Shuwaul 170 0		
		.. One kunthee, with eighteen pearls, 10th Shuwaul - 3,500 0		
			28,373	0
		Hyderabad Rupees	7,69,559	9

Cr.

H. 1234 :— F. 1228.		Hyderabad Rupees.	A.
	Brought forward -	1,45,136	2½
Rumzaun 29.	By balance due us carried forward -	6,24,423	6½
	Hyderabad Rupees	7,69,559	9

Hyderabad,
29th Rumzaun.

H. 1234 :—
F. 1228.

(Errors Excepted.)

(Signed) W. PALMER and Co.

(A true Copy.)

(Signed) GEO. SWINTON,
Secretary to Government.

[Account No. 6.—Folio 1.]

MOONEER OOL MOOLK *in Account Current with* Messrs. WILLIAM PALMER and Co. *HYDERABAD.*

Dr.

H. 1234 :— F. 1229.			Hyderabad Rupees.	A.
Shuwaul	1.	To balance brought forward (interest due)	6,24,423	6½
	5. ..	Three turbans, at six months' credit -	79	0
	17. ..	Nine pieces of kimkhabs - - -	932	5
	..	One dooputta, 27th Rumzaun - -	55	0
	1. ..	Five pairs and four shawls - - -	2,118	0
Zeekaud	19. ..	Six lanterns - - - - - -	42	0
Zeehijj	1. ..	Five spare shades - - - -	135	0
H. 1235. Mohurrum	4. ..	Your draft for Rs. 11,000, due 1 month sight discounted - Rs. 10,780 0		
	..	Discount - - - - - 220 0	11,000	0
	19. ..	Your draft in favour Sooltan Hoossain Khan, for purchase of his houses, gardens, &c. - - - - - -	10,000	0
	15. ..	Four turbans, at six months' credit -	40	0
	..	Two pairs three-light wall shades, at six months' credit - - Rs. 4,400 0		
	..	Two pairs two-light do. - 3,000 0		
	..	Twenty-four coloured table-shades - - - - 480 0		
	..	Five green lamps - - 225 0		
	..	Five blue do. - - - 160 0		
	..	Six green do. - - - 270 0		
	..	Six do. table-shades - - 120 0		
	..	Two globe lamps - - 170 0	8,825	0
	1. ..	Two pieces kimkhabs - - - -	515	0
	..	Four pairs shawls - - - -	1,060	0
	..	One sirpainch, at six months' credit, from 28th Zeekaud - - - -	270	0
	..	Three do., and three pearls, from 4th Zeehijj - - - - - -	612	0
	..	Four furd bhoojbunds, 20th Zeehijj - - - - Rs. 794 0		
	..	Three sirpainches - - 510 0		
	..	One jeegah - - - 290 0	1,594	0
	..	Cash paid Duld Oollah Khan Darogah, for repairs of buildings, Rs. 500, with interest, Rs. 33. 10½, 1st Shuwaul -	533	10½
Suffer	24. ..	Cash paid in part of your draft on us for Rs. 10,000 - - - - -	1,950	0
	26. ..	Cash paid do. - do. - - -	6,165	0
Rubbee ool awul	24. ..	A transfer do. - do., with interest -	1,021	7
	5. ..	Cash paid in full of do. - - -	863	9
	3. ..	Your draft on us in favour Mahomed Sulahood Deen, for his allowance -	1,050	0
	..	One bar, at six months' from 27th Suffer - - - Rs. 800 0		
	..	One pair dustbunds - - 455 0		
	..	One sirputtee - - - 965 0		
	..	One pair nowruttuns - - 200 0		
	..	Four sirpainches - - 1,040 0	3,460	0
	11. ..	Paid in part of your draft on us in favour Lurree Mickal for Rupees 5,000 -	1,500	0
	14. ..	Cash paid do. - do. - - -	1,500	0
	17. ..	Cash paid in full do. - - - -	2,000	0
	1. ..	Two glasses - - -	9,100	0
	..	Your subscription to building Persian College, 30th Mohurrum last - - Rs. 1,500 0		
	..	Six months' subscription to Persian College 30th 900 0	2,400	0
	..	Interest to 30th Mohurrum last - -	62,644	13
	..	Nine furd dooputtas, at six months' credit, from 22d Suffer - Rs. 499 0		
	9. ..	One dooputta - - - 55 0		
	12. ..	One pair white shawls, and one pair gooban - - 515 0	1,069	0
		Carried forward - Rupees	7,56,958	3

Cr.

H. 1234 :— F. 1229.			Hyderabad Rupees.	A.
Shuwaul	3.	By two bills - - - - - - -	250	0
	..	A bill - - - - - - -	400	0
	19. ..	Received on account bill on Appajee for Rupees 1,250 - - - - -	200	0
	26. ..	Cash in bill - - - - -	200	0
	21. ..	Do. - do. - - - - -	51	0
	25. ..	Do. in two bills - - - - -	509	0
	..	Do. in bill - - - - -	105	0
	..	Bill on Luchmee Doss Gooddhun Dos	200	0
	26. ..	Cash in bill - - - - -	25	0
	29. ..	Do. - do. - - - - -	400	0
	24. ..	Draft on us on account two bills on Moottee Ram and Ragoo Ram - -	115	0
Zeekaud	4. ..	Two bills - - - - -	1,875	0
	6. ..	A bill - - - - - -	1,000	0
	9. ..	Do. in part Rs. 345 - - - -	20	0
	..	Do. in full do. - - - - -	325	0
	..	Draft in following dates :—		
		5th instant - - Rs. 1,000 0		
		6th do. - - - 600 0		
		7th do. - - - 700 0		
		In part Rs. 2,000, 9th do. 1,700 0	4,000	0
	..	Draft in following dates :—		
		4th instant - - - Rs. 1,000 0		
		In full Rs. 2,000, 7th do. 1,300 0	2,300	0
	..	A transfer of bills due :—		
		14th inst. - - - 200 0		
		15th do. - - - 802 11		
		11th do. - - - 700 0		
		Do. - - - 449 0	2,151	11
	15. ..	A transfer in full of a bill for Rs. 886 -	83	5
	..	Bills in following dates:		
		25th Shuwaul - - Rs. 700 0		
		4th inst. - - - 1,600 0		
		14th do. - - - 1,500 0	3,800	0
	..	A bill, 15th Shuwaul - - - -	25	0
	..	Cash in part bill for Rs. 1,250, 19th Shuwaul - - - - - -	275	0
	..	Do. - do. - - - -	500	0
	..	Bill, 10th Shuwaul - - - -	50	0
Zeehijj	— ..	Cash in part bill for Rs. 1,250, 19th do.	275	0
	5. ..	Bill on Manic Chund Boje Ram - -	40	0
	17. ..	Draft of this date, due in one month -	25,550	0
H. 1235.				
Suffer	14. ..	Hurra Dos Damoodar Dos, their draft on us - - - - - - -	20,000	0
	..	Draft on Hurra Dos Damoodar Dos -	27,000	0
	12. ..	Cash from Ameen-ool Moolk - - -	5,300	0
	13. ..	Do. - do. - - - - -	4,525	0
	16. ..	Do. - do. - - - - -	13,000	0
	17. ..	Do. - do. - - - - -	4,000	0
	20. ..	Do. - do. - - - - -	3,100	0
	21. ..	Do. - do. - - - - -	4,024	8
	26. ..	Do. - do. - - - - -	4,950	0
Rubbee ool awul	5. ..	Do. - do., B.C. 7,750, at 1½ per cent.	7,866	4
	6. ..	Do. - do. 2,800, at do. -	2,842	0
		Carried forward - Rupees	1,41,332	12

[Account No. 6.—Folio 2.]

MOONEER-OOL MOOLK *in Account Current with* Messrs. WILLIAM PALMER and Co.

Dr. *HYDERABAD.* *Cr.*

H. 1235 :— F. 1229.			Hyd. Rupees.	A.
		Brought forward -	7,56,958	3
Rubbee oo sanee	6.	To paid Bhitul Dos Pursotum Dos in part of your draft on us for Rs. 20,000	1,000	0
	9.	.. Paid in part of above draft - - -	9,875	0
	10.	.. Cash paid Mahluga Baee in part of above draft - - - - -	4,200	0
	12.	.. Cash paid in part of above draft - -	3,000	0
	15.	.. Cash in full of do. - - - -	1,925	0
		.. Two pairs shawls, at six months' credit, from 17th Rubbee ool awul - -	516	0
		.. Six yards flowered satin, 29th do. -	66	8
	9.	.. One lacquered china cabinet, at six months' credit - - - 300 0		
		.. One pair cut glass milk vases 400 0		
		.. Four pieces selas - - - 64 0		
		.. One turban - - - 10 0		
		.. One pair shawls - - - 325 0		
		.. One piece kimkhab - - 211 0		
			1,310	0
		.. Ten sirpainches, at six months' credit, 5th Rubbee ool awul - - -	785	0
		.. Six do. - 16th do. - - -	1,004	0
		.. One sirputtee, one har, and one pair dustbunds, 18th do. - - -	2,125	0
	16.	.. One pair ponchees, at six months -	400	0
Jemadee ool awul	5.	Cash paid Heera Loll in part your draft on us for Rs. 15,000, in favour Ameen ool Moolk, per Cr. cancelled - -	6,000	0
	11.	.. Cash paid in part your draft on us for Rs. 20,000, in favour of Mootee Ram Doorga Dos - - - - -	5,000	0
	8.	.. Hoondee on Rao Rajeson Rao, cancelled per Cr. - - - - -	3,000	0
	16.	.. Cash paid in full your draft for Rs. 20,000	15,000	0
		.. Cash paid in full of draft for Rs. 15,000, cancelled per Cr. - - - - -	6,000	0
		.. One pair three-lights wall shades, at six months' credit, 5th Rubbee ool awul - - - 2,200 0		
		.. Four spare shades - - 54 0		
			2,254	0
		.. Three tolas, nine and a half musk, at twenty-two - - - - -	83	6
		.. Twenty-two pairs shawls, at six mohths' credit, from 1st Rubbee oo sanee -	4,953	0
		.. Four pieces kimkhabs 5th do. - -	406	0
	23.	.. Cash paid part your draft for Rs. 10,000, in favour Sidhee Mishall - - -	5,525	0
Jemadee oo sanee	3.	Cash paid your draft on us in favour Mootee Ram Fotedar - - -	3,800	0
		.. Cash in full of draft for Rs. 10,000, in favour Sidhee Mishall, 28th Jemadee ool awul - - - - -	4,475	0
	7.	.. Cash paid on your bill sent us - -	3,000	0
		.. Eleven maunds candles, at six months' credit, from 1st Jemadee ool awul - - - - 297 0		
		.. Twenty bottles of vinegar, 8th do. 60 0		
			357	0
	13.	.. Cash paid your draft for Rs. 20,000 -	20,000	0
	19.	.. Cash paid on draft on us for Rs. 85,000, cancelled per Cr. - - - - -	25,000	0
	25.	.. Cash by your order - - - -	5,725	0
	26.	.. Cash paid Mootee Ram Doorga Dos on bill received - - - - -	4,275	0
Rujeb	3.	.. Cash paid on bills received - -	4,425	0
	5.	.. Cash paid Mootee Ram Fotedar, on account of bills received - -	7,000	0
	11.	.. Your draft on us, in favour Captain G. Everest, for an elephant - -	2,800	0
		.. Paid on account your monthly draft for Rs. 20,000 :—10th instant 4,000 0		
		15th - - - - 15,000 0		
			19,000	0
	20.	.. Cash paid Mootee Ram Fotedar, by your order - - - - -	791	0
	22.	.. Draft in favour Mohummud Hossein Chobdar, in full Rs. 20,000 - -	1,000	0
		.. Draft in favour Ussed Ali and Abdool Hukeem deceased - 2,320 2		
		Discount - 36 2		
			2,356	4
		.. Your draft on us in favour Ameen ool Moolk, dated 15th Suffer - -	85,000	0
		.. One pair chuddedar khellut, at six months' credit, 2d Rujeb - 211 4¼		
		.. Six pairs shawls, 9th do. - 1,636 8		
		.. One piece kimkhab, and two hides leather, 4th do. - 123 0		
		.. Two pairs four-light lustres, 12th do. - - - - 3,000 0		
			4,970	12¼
Shabaun ..		.. Eight sirpainches, six months' credit, from 2d Jemadee ool awul - - 718 0		
		.. One pair dustbunds, 11th do. - - 553 0		
		.. One teeka, 7th do. 6,500 0		
		.. Two pair dustbunds 825 0		
		Carried forward - Rs. 8,596 0		
		Carried forward	Rs 10,25,361	14

H. 1235 :— F. 1229.			Hyd. Rupees.	A.
		Brought forward -	1,41,332	12
Rubbee ool awul	9.	By a transfer Ameen ool Moolk - -	3,392	4
		.. A transfer in part of a draft for Rupees 1,06,221, on Munnoo Loll, due from 30th Suffer last - - -	92,607	8
Rubbee oo sanee		A transfer in full of above, due 30th Suffer last - - - - -	13,613	9
Jemadee ool awul	9.	.. Hoondee on Rugun Ram Huthee Sing	300	0
	19.	.. A hoondee - - - - -	69	0
		.. Do. on Mootee Ram Soorut Ram -	450	0
	20.	.. Cash on bill - - - -	40	0
		.. By amount two bills, due 19th and 20th instant - - - - -	100	0
		.. Cash on account three bills :		
		Two due 15th instant - 4,000 0		
		One - 19th - - 3,000 0		
			7,000	0
	10.	.. Cash on hoondee - - - -	200	0
	26.	.. Cash on do. - - - - -	81	0
Jemadee oo sanee	5.	.. Cash on do. - - - - -	150	0
	7.	.. Cash on do. - - - - -	140	0
		.. Three bills on Chuttagunnee Rajunnee, due 15th Jemadee ool awul 25 0		
		29th do., two for - - 251 0		
			276	0
	9.	.. Hoondee - - - - -	200	0
	5.	.. Two Hoondees - - 564 0		
	9.	.. Two do. - - - - 5,640 0		
	17.	.. One do. - - - - 5,000 0		
			11,204	0
	13.	.. Four bills - - - 1,425 0		
	14.	.. Two do. for Rs. 1,400, received in part - - - 806 0		
			2,231	0
	9.	.. Two bills realized - - - -	346	0
	14.	.. Cash in part bill, Rs. 900 - - -	475	0
	17.	.. Two bills realized - - - -	2,090	0
	14.	.. Cash on two hoondees - - 900 0		
	17.	.. Do. on one do., for Rs. 11,000 in part - - - - 1,022 0		
			1,922	0
		.. Hoondees on following dates :		
		10th instant, one - 260 0		
		13th - six - 1,758 0		
		14th - one - 200 0		
		17th - six - 1,575 0		
		19th - one - 30 0		
		7th Rujeb one - 400 0		
			4,223	0
	14.	.. Cash in full bills, Rs. 2,825 - -	119	0
	23.	.. Cash on two hoondees - - -	3,100	0
		.. Three hoondees :		
		One on 17th instant - 100 0		
		Two 23d - - - 642 0		
			742	0
	24.	.. A hoondee - - - - -	1,103	0
	26.	.. Cash on account Muhomed Idroos Arab	3,000	0
		.. Bills realized :		
		23d instant - - - 500 0		
		27th - - - - 300 0		
			800	0
	13.	.. Amount of five bills - - -	2,150	0
	18.	.. Cash on account Kadree Yenkajee -	40	0
	3.	.. Cash on bill - - - - -	100	0
		.. Amount bills :		
		First, 8th instant - - 200 0		
		First, 3d - - - 100 0		
			300	0
		.. Cash in full two bills for Rs. 1,600, 17th Jemadee oo sanee - - - - 578 0		
		One bill, 20th - - - 300 0		
		3d - - - 300 0		
		4th - - - 100 0		
			1,278	0
		.. Bills realized following dates :		
		One 8th Jemadee oo sanee 100 0		
		Five 13th - - - 2,375 0		
		One 14th - - - 200 0		
		Carried forward - Rs. 2,675 0		
		Carried forward -	Rs. 2,95,175	1

[Account No. 6.—Folio 3.]

MOONEER-OOL MOOLK *in Account Current with* Messrs. WILLIAM PALMER and Co.

HYDERABAD.

Dr.

H. 1235 :— F. 1229.				Hyderabad Rupees.	A.
Shabaun —	Brought forward	8,596	0	10,25,361	1¼
	To one pair dustbunds, six months' credit, from 21st Jemadee ool awul	489	0		
..	One har 25th do.	745	0		
..	944 pearls	996	11		
				10,826 11	
..	652 pearls, 13th Jemadee oo sanee			885 5	
..	One sirpainch, 24th do.			345 0	
..	One do. 5th Rujeb	345	0		
..	Nine do. 12th Rujeb	1481	0		
..	Two tolas pearls, 2d Rujeb	45	0		
				1,871 0	
					13,928 0
12. ..	Cash paid in part your draft on us for Rupees 15,000				1,000 0
19. ..	Do. do.			11,905 0	
..	Do. in part your monthly draft for Rupees 20,000 paid mortgage Rupees 650 and Mootee Ram Fotedar Rupees 12,000			12,650 0	
					24,555 0
21. ..	Cash paid on account your monthly draft for Rupees 20,000 to Mootee Ram Fotedar			3,731 5	
..	Beharee Loll			1,112 7	
					4,843 12
23. ..	Paid Mr. H. Mispelaar, his allowance for Rujeb by your order				150 0
11. ..	One pair pearls, at six months' credit				14,000 0
25. ..	Cash paid on your draft in favour Sudhar Miskal for Rupees 15,000				1,234 0
..	Transfer in full of do.				861 0
Rumzaun 1. ..	Hoondee on Jumna Doss, Aurungabad, at 15 D. St. at two per cent. for Rupees 2,450 15				2,500 0
3. ..	Cash paid on account of monthly draft for Rupees 20,000 your draft on us for Rupees 3,241				3,180 8
..	Discount on above draft for Rs. 3,241, due 30th instant				60 8
15. ..	Your draft on us payment in part draft Rupees 20,000				325 0
8. ..	Do. in favour of gardeners				1,350 0
14. ..	Purchase of a horse				800 0
16. ..	Cash paid in part monthly draft for Rupees 20,000				7,000 0
12. ..	Paid in part do.				4,500 0
..	Four lustres at six months' credit from 1st Jemadee ool awul	5,000	0		
..	One musical seal	100	0		
				5,100 0	
..	Six pairs shawls, 13th Rujeb	1,031	0		
..	Two pieces kimkhabs 29th do.	242	0		
..	Two dooputtas, do.	150	0		
				1,423 0	
					6,523 0
..	One tinder box, 15th Shabaun			13 8	
..	Fifteen marble slabs			3,875 0	
					3,888 8
..	Six dooputtas, 9th do.			894 0	
..	Six pieces kimkhabs			901 0	
..	Eight do. koarchobee			140 0	
..	Three pairs shawls 24th do.			640 0	
					2,575 0
15. ..	Two pieces dooputtas			262 0	
..	Three dooputtas			242 0	
..	Seven pieces roumals			196 0	
					700 0
..	Repairs of a chumpakulla, 1st Shabaun, Twelve tolas, 5 ms. 5 rs. gold			236 14½	
	Workmanship			74 14½	
	Six Manucks			240 0	
	Gold for pudduck			29 11½	
					581 8¾
..	Transfer balance at debit of your draft account 30th Rujeb				19,696 6½
..	Interest on your account to do.				68,862 14
..	Six months' subscription to Persian College to do.				900 0
	Carried forward				12,09,376 2½

Cr.

H. 1235 :— F. 1229.				Hyderabad Rupees.	A.
	Brought forward Rs.	2675	0	2,95,175	1
Rujeb..	By two bills, 20th Jemadee oo sanee	55	0		
..	One do. 4th Rujeb	300	0		
..	Three do. 8th do.	1,100	0		
..	One do. 9th do.	836	0		
				4,966	0
6. ..	Cash in bills			153	8
17. ..	A hoondee	314	0		
22. ..	Do.	35	0		
				349	0
..	Cash in bills, 1st 8th instant	25	0		
	2d 9th do.	200	0		
	4th 10th do.	375	0		
				600	0
..	Cash in bills, 9th instant	700	0		
	10th do	3,000	0		
				3,700	0
9. ..	A draft on us			315	0
3. ..	A bill			16	10
8. ..	Cash	75	0		
10. ..	Do.	50	0		
				125	0
13. ..	Two bills			230	0
14. ..	A bill			175	0
17. ..	Cash 10th instant	388	0		
	12th do.	572	0		
	13th do.	374	0		
	19th do.	500	0		
				1,834	0
12. ..	Cash	524	0		
13. ..	Do.	240	0		
				764	0
13. ..	Amount two hoondies			2,500	0
..	Do. hoondies on Dame Sooroop Ram			469	0
..	Transfer on account draft on us for Rupees 3,000			3,000	0
..	Amount in full of hoondee for Rupees 3,700			700	0
19. ..	Cash on hoondee			1,500	0
..	Amount 6 hoondees, 10th inst.	300	0		
	13th do.	3,450	0		
	16th do.	382	0		
				4,132	0
18. ..	Hoondee			900	0
19. ..	Do.			100	0
3. ..	Nursoo through Mohummed Idroos Arab			1,000	0
19. ..	Amount two bills			2,678	0
..	Cash			4,022	0
..	Do. 19th instant	305	0		
	10th do.	75	0		
	13th do.	200	0		
				580	0
..	Bills in full Rupees 2,825				
	20th Jemadee oo sanee	95	0		
	14th instant ..	260	0		
				355	0
10. ..	Amount of bill			200	0
..	Cash in bills, 27th Jemadee oo sanee	50	0		
	1st instant	140	0		
	9th do.	92	0		
				282	0
13. ..	Cash			235	0
27. ..	Received on account three bills on Bulrumgeer Gasaeen			2,050	0
13. ..	Transfer on account bills on Bunketty Dos Tookarem			575	0
..	Cash 13th instant	75	0		
	28th do.	1,050	0		
	29th do.	400	0		
				1,525	0
29. ..	Part of a hoondee for Rupees 500			465	0
..	Amount received in part hoondees for Rupees 55,000, 14th inst.	10,000	0		
	19th do.	12,000	0		
	21st do.	3,000	0		
				25,000	0
Shabaun 3. ..	Cash in full hoondee for Rupees 500			35	0
4. ..	Cash in bills for Rupees 3,000	2,050	0		
10. ..	Do. on four do. for	5,100	0		
				7,150	
	Carried forward			3,67,856	3

[Account No. 6.—Folio 4.]

MOONEER-OOL MOOLK *in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr.

H. 1235 :— F. 1229.		Hyderabad Rupees.	A.
	Brought forward	12,09,376	2½
	Total - Hyd. Rs.	12,09,376	2½

Cr.

H. 1235 :— F. 1229.				Hyderabad Rupees.	A.
	Brought forward			3,67,856	3
Shabaun ..	By Ameen ool Moolk, debited by error to this account :				
	5th Jemadee ool awul	6,000	0		
	8th	3,000	0		
	16th	6,000	0		
		15,000	0		
	19th	25,000	0		
				40,000	0
	.. Cash on account Mahomed Idroos Arab, 21st Rujeb			5,190	0
4.	.. Amount received in full hoondee for Rs. 3,000			950	0
13.	.. Hurra Dos, Damoodar Dos, three drafts on us			700	0
14.	.. Bills realized	500	0		
18.	.. Do.	1,735	0		
				2,235	0
	.. Cash on hoondees :				
	In full Rs. 14,000, 21st Rujeb	5,810	0		
	In part Rs. 19,000, 25th	3,007	0		
				8,817	0
	.. Cash in part hoondees, Rs. 19,000, 25th Rujeb			15,989	0
12.	.. Amount in bill			25	0
22.	.. Do. - in full Rs. 19,000			4	0
21.	.. Do. - bill realized			500	0
14.	.. Do. - do.			150	0
	.. Do. - do. bills realized :				
	24th instant	2,500	0		
	28th	1,960	0		
				4,460	0
Rumzaun. 12.	.. Mool Chund Nucheta Mull			12,000	0
5.	.. Amount bill realized			25	0
	.. Do. bills realized :				
	15th Shabaun	14,000	0		
	18th	16,000	0		
	15th	500	0		
				30,500	0
	.. Amount bills :				
	13th Shabaun	350	0		
	3d instant	500	0		
				850	0
	.. Do: 26th Jemadee oo sanee	50	0		
	16th Jemadee ool awul	5,110	0		
				5,160	0
15.	.. Amount two hoondees			90	0
	.. Amount hoondees :				
	Five, 9th Rujeb	1,000	0		
	Four in full Rs. 5,162. 8, 13th do.	1,987	8		
				2,987	8
	.. A hoondee on Nugdee Nutjee Ram, omitted in 25th Rujeb			1,000	0
				4,99,488	11
18.	.. Balance due to us carried forward			7,09,887	7½
	Total - Hyd. Rs.			12,09,376	2½

(Errors Excepted)

Hyderabad,
18th Rumzaun, H. 1235 :—F. 1229.

(A true copy.)
(Signed) W. PALMER and Co.
Secretary to Government.

[Account No. 7.—Folio 1.]

MOONEER-OOL MOOLK *in Account Current with* Messrs. WILLIAM PALMER and CO.

Dr. *HYDERABAD.* *Cr.*

H. 1235 :— F. 1229.			Hyderabad Rupees.	A.
Rumzaun 18.	To balance due us brought forward		7,09,887	7½
21. ..	Cash in full your monthly draft for Rupees 20,000		284	0
..	Do. paid Mr. Mispelaar, by order		150	0
Zeekaud.. 10. ..	Your draft on us in favour Hajee Ali Buksh, for building a boat		1,070	7
19. ..	Paid in part of your draft on us this date, for Rs. 25,000		20,000	0
20. ..	Cash in part - do.		1,335	6
19. ..	Paid in full of - do.		3,664	10
..	Twelve sirpainches and one jeegah, at six months' credit, from 30th Rumzaun - Rs.	2,263 0		
..	Three do., at do., from 4th Zeekaud	540 0		
..	Four do. and one jeegah, at do., from 5th Zeekaud -	1,179 0		
			3,982	0
Zeehijj .... 9. ..	Cash paid in payment your draft on us for Rupees 12,754		4,000	0
3. ..	Your draft on us of this date in favour of Siddee Miskal		3,000	0
16. ..	Cash paid in part your draft on us for Rupees 12,754, favour Siddee Miskal		1,725	0
11. ..	Paid in full your draft for Rupees 12,754 - Rs.	4,029 0		
..	Do. in part do. for Rs. 3,000	1,263 0		
			5,292	0
23. ..	Cash in full do. in favour Siddee Miskal		1,737	0
30. ..	Cash in part your draft Rs. 25,000, dated 24th Zeekaud		3,000	0
..	Your draft on us 17th Zeehijj, due 18th			
H. 1236.	Mohurrum next, payment for Zeekaud		25,000	0
Mohurrum 1. ..	Cash in part your draft for Zeehijj, Rupees 25,000		200	0
..	Your draft on us, dated 8th Zeehijj, in favour Mr. P. Jalla		1,000	0
15. ..	Paid in part your draft Rs. 25,000 for Zeehijj		647	9¾
..	Paid in part your draft do., 17th Suffer		20,000	0
24. ..	Cash in full do. - do.		146	6¼
Suffer .... 4. ..	Cash in part do. for Mohurrum		1,000	0
17. ..	Paid in part do. - do.	Rs. 5,000 0		
22. ..	Do. - do. - do.	8,000 0		
			13,000	0
..	Cash paid Dulaalloolla Khan by Aurungabad firm, 29th Rumzaun, per memorandum in the letter 8th November		221	9½
21. ..	Paid in part your draft Rs. 25,000 for Mohurrum		2,000	0
23. ..	Cash paid in part do.		9,267	0
30. ..	Cash paid your draft on us to Runjiud Narien, of this date		14,085	0
Rubbee ool awul —	Eighty-two diamonds, 37 rut. 7 as. at 70, six months' credit from 2d Zeehijj	Rs. 2,620 10		
..	One utter dan, do. 22d do.	5,700 0		
..	Three hars, do. 23d do. -	2,200 0		
..	Four pairs bhoojbunds, do. do.	2,310 0		
..	One jeegah, do. do.	140 0		
..	Five sirpainches, do. do.	795 0		
			13,765	10
..	Cash, your draft on us in favour Raee Obeidulla Ram, discounted due 9th Rubbee oo sanee next, for Rs.980, Rs.960.6½, discount Rs. 19. 9½		980	0
20. ..	Cash in part draft Rs. 25,000		1,911	0
21. ..	Paid in full drafts for Mohurrum and Suffer		8,737	0
..	Two hundred and forty-four pearls, 1,555,11 ch., at 12½, six months' credit, from 14th Suffer -	Rs. 19,446 1		
..	Eleven hundred and sixty-two pearls, 580 ch., 2 as. at 14 do.	8,124 12		
			27,567	13
..	Six months' subscription to Persian College, at Rupees 150 per month to 30th Mohurrum last		900	0
..	Mooneer-ool Moolk's drafts, items at debit of that account, 30th Mohurrum, H. 1236		85,602	5½
..	Interest on drafts, 30th Mohurrum		81,453	14
..	Various purchases, per accompanying particulars		6,186	15
..	Three emeralds, at six months' credit, from 3d Suffer -	Rs. 136 12		
..	Two emerald drops, 17½ Rs. at 15, do. do.,	266 4		
..	Twenty-four diamonds, 3 r., 1 a., at 44, do. do.	134 12		
..	Two yacoots, do. do. -	13 0		
..	Twenty pearls, 59¼ ch.	773 8		
..	Two and a quarter tolas, one massa gold, at 19, do. do.	45 8¾		
	Workmanship - -	15 9½		
			1,385	6
Rubbee oo sanee —	Paid in part kist for Rubbee oo sanee, Rupees 25,000		4,873	12
Jemadee ool awul 7.	Monthly payment for Rubbee ool awul, dated 7th Rubbee ool awul -		25,000	0
..	Paid on account your draft for Rs.25,000 for the month Rubbee oo sanee, dated 7th Rubbee oo sanee, as follows :—			

H. 1235 :— F. 1229.			Hyderabad Rupees.	A.
Rumzaun 24.	By cash received from Ruffaat-ool Moolk - -	Rs. 2,950 0		
..	Do. from Mr. Mispelaar -	150 0		
			3,100	0
..	Cash from Ruffaat-ool Moolk - -		3,690	0
27. ..	A bill - - - - -		1,000	0
28. ..	Cash from Ruffaat-ool Moolk -		1,104	0
29. ..	Do. - - do. - - -		1,500	0
Shuwaul .. 3. ..	Do. - - do. - - -		1,000	0
5. ..	Do. - - do. - - -		1,550	0
7. ..	A transfer on account do. - - -		4,000	0
..	Cash from - - do. - - -		145	0
8. ..	Do. - - do. - - -		1,075	0
13. ..	Draft on us for do. - - - -		1,000	0
15. ..	Cash from - do. - - -		2,250	0
17. ..	Do. - - do. - - -		1,025	0
24. ..	Do. - - do. - - -		1,582	0
Zeekaud .. 1. ..	A hoondee on Raguppa Kotekul - -		11,809	8
Zeehijj .... 3. ..	Do. - do. -	Rs. 12,500 0		
7. ..	Do. - do. - -	8,000 0		
			20,500	0
11. ..	Do. - do. - - - -		9,000	0
13. ..	Do. - do. - - - -		11,000	0
15. ..	Do. - do. - - - -		19,000	0
21. ..	Do. - do. - - - -		6,250	0
27. ..	Do. - do. - - - -		6,000	0
H. 1236.				
Mohurrum 7. ..	Amount received on account Idroos Khan Arab - - -	Rs. 7,061 0		
11. ..	Do. - - - do. -	9,000 0		
			16,061	0
13. ..	Amounts in full Rs. 44,061, on Raguppa Kotekul :—			
	13th instant - -	Rs. 11,000 0		
	15th do. - -	17,000 0		
			28,000	0
Rubbee ool awul 16. ..	Cash received from Rajah Shupershad -		56,395	0
Rubbee oo sanee 5.	Draft on us in your favour, dated 24th Suffer - - - - - -		1,45,000	0
Jemadee ool awul 1.	Amount received on account tunkha on Mahomed Idroos Khan Arab - -		8,000	0
2. ..	Do. - do. - do. - -		9,000	0
6. ..	Do. - do. - do. - -		2,000	0
..	A hoondee received from Mahomed Idroos Khan, on account tunkha on him -		25,000	0
27. ..	Amount received in part draft on Munnoo Lall Hurbajee - - - -		92,000	0
25. ..	Do. - do. - do. - -		52,080	12
9. ..	Do. on account tunkha on Mahomed Idroos Khan - -	Rs. 11,000 0		
13. ..	Do - do. -	22,000 0		
			33,000	0
25. ..	Do. in full tunkha on Munnoo Lall Hurbajee - - - - -		1,409	3½
Jemadee oo sanee 27.	Do. on account first kist tunkha on Mahomed Idroos Khan Arab - -		25,000	0
..	A hoondee from Idroos Khan, on account interest due in last kist - -		10,000	0
Rujeb .... 1. ..	Amount received on account second kist tunkha on Rajah Shupershad -		56,305	0
..	Amounts received on account Mahomed Idroos Khan :—			
	5th Jemadee ool awul Rs.	10,000 0		
	27th do. -	9,720 0		
			19,720	0
Rumzaun 12. ..	Ukkhee Ram, transfer on security		68,600	0
25. ..	Do. - do. - -		9,800	0
..	Amounts received on account tunkha on Idroos Khan :—			
	23d instant	Rs. 14,000 0		
	24th do. - -	31,000 0		
	25th do. -	15,000 0		
			60,000	0
29. ..	Various purchases, excess at debit cancelled - - - - -		12,941	12
..	Transfer item at debit, by error, 9th Rubbee ool awul - - - - -		980	0

Carried forward ... Rupees 8,32,783 3½

[Account 7.—Folio 2.]

MOONEER-OOL MOOLK *in Account Current with* Messrs WILLIAM PALMER and Co.

Dr. *HYDERABAD.* *Cr.*

H. 1236 :— F. 1230.		Hyderabad Rupees. A.
	Sum brought forward	11,04,059 3½
Jemadee ool awul	To Teelokee Chund, 30th Rubbee oo sanee	5,886 0
	.. Modie, 8th Jemadee ool awul	6,500 0
	.. Hoossain Beg, 30th Rubbee oo sanee	4,379 0
	.. Rustoom Beg Ali, &c. do.	1,722 5
	.. Bittul Dos Pursotum Dos Modie 20th do.	513 15
		19,001 4
7.	.. Drafts of this date in part payment of Rupees 25,000 for Jemadee ool awul	24,159 0
9.	.. Cash paid in full Rupees 25,000, for Rubbee oo sanee	1,125 0
Jemadee oo sanee 5.	.. Your draft on us this date to Soofee Sahib for purchase of a horse	1,000 0
1.	.. A large diamond and smaller ones on draft due six months	1,30,000 0
20.	.. Your draft on us in favour Bunketty Dos	1,600 0
27.	.. Interest on Rupees 74,000, due by Vuruppa Guneish Rao	3,850 11
Rujeb ....10.	.. Your draft of this date in favour Motee Sing, in part Rupees 75,000 advanced	2,703 0
1.	.. Your draft on us dated 11 Rubbee ool awul in favour Misree Khan	25,000 0
	.. Do. - do. in favour Ikktar Khan in full Rs. 25,000 for Jemadee ool awul	841 0
13.	.. Your draft on us this date in part Rupees 75,000	10,000 0
28.	.. Do. in favour Doorga Dos Ummer Mull in part Rupees 7,000	3,000 0
	.. Three sirpainches at six months' credit from 3d Rubbee ool awul - 665 0	
	.. Five do. do. 1st Rubbee oo sanee 1,024 0	
	.. Seed pearls one tola bill do. 16th Jemadee oo sanee - 42 11	
	.. Eleven sirpainches, do. 24th do 1,964 0	
	.. Two hars do. 25th do 955 0	
	.. One sutludda do. 9th do. 1,000 0	
	.. One teeka do. - do. - 330 0	
	.. One pair ear-rings do. do. 230 0	
	.. One Chowdaneean do. do. 265 0	
	.. One ponchee do. do. 305 0	
	.. Two rings do. - do. 40 0	
	.. One pair bajoobunds do. do. 400 0	
	.. One Joogneer do. do. 187 0	
	5,718 11	
	.. One jega do. 24th do. - - 360 0	
		7,767 11
Shabaun .. 4.	.. A hoondee on Meer Mohun Dos Hurjeewun Dos for Rupees 1,965 and exchange	2,000 0
7.	.. Your draft on us in favour Doorga Dos Ummer Mull, in full Rupees 7,000	4,000 0
9.	.. Do. - Rutlaat ool Moolk, this date	7,508 0
	.. Do. 1st Rujeb, last in favour Shadee Ram in part, Rupees 75,000 - -	5,371 0
21.	.. Do. of this date for Rupees 5,000 -	5,000 0
Ramzaun 24.	.. Do. Cash by order - - -	292 0
10.	.. Cash paid draft in full Rupees 25,000 -	3,200 0
	.. Five tolas three massas gold at six months' credit ready money 156 1¾	
	.. Two sirpainches at six months' credit from 27th Rujeb 300 0	
	.. One furd Bhoojbund do. 336 0	
	.. Two jeegahs do. - 310 0	
	946 0	
	.. Five sirpainches, do. 3d Shabaun - - 945 0	
	.. One jeegah, 5th do. - 240 0	
	.. One joognee, 14th do. - 710 0	
	.. Four sirpainches, 19th do. 484 0	
10. To	One sirpainche, do 22d do. - 481 3	
..	One har do. - 645 0	
..	One pair chowdanee do. - 243 0	
..	One pair bajoobund, No. 41 do. - - - 150 0	
..	One joognee do. - 360 0	
..	One pair bouchee - do. - 365 0	
..	One chumpakullee do. 510 0	
	One pair chowlaphool do. - 178 0	
..	One pair boongro - do. - 235 0	
..	One pair dustbund - do. - 565 0	
..	In full one pair bhoojbund for Rupees 725 do. - 575 0	
	4,307 3	
		6,686 3
27. ..	One sutludda at six months' credit - - - 1,014 0	
..	One pair ponchee - do. - 330 0	
..	One joognee - do. - 135 0	
..	One pair bajoobund do. - 605 0	
..	One chowraphool - do. 195 0	
..	One pair chowdanee do. - 150 0	
..	One pair boogree - do. - 145 0	
..	Two rings - - do. - 84 0	
..	One kurrumphool - do. - 300 0	
20. ..	One topee - - do. - 350 0	

H. 1236 :— F. 1230.		Hyderabad Rupees. A.
	Brought forward	8,37,783 3½

[Account No. 7.—Folio 3.]

MOONEER-OOL MOOLK *in Account Current with* Messrs. WILLIAM PALMER and CO.
HYDERABAD.

Dr.

H. 1236:— F. 1230.		Hyderabad Rupees.	A.	Hyderabad Rupees.	A.	Hyderabad Rupees.	A.
	Brought forward			3,308	0	7,789	4¾
Rumzaun 1.	To one topee, No. 1, at six months' credit	300	0				
27.	.. One teeka	165	0				
				3,773	0		
						11,561	4¾
	.. Mohummud Idroos Khan, interest on his account to 27th Jemadee oo sanee, per your dustkuttibund			267	0		
	.. Your draft account, transfer per your dustkuttibund, 30th Rujeb			2,36,577	5		
	.. Various purchases per accompanying particulars, per Cr. (*Cancelled per Cr.*)			12,941	12		
	.. Six months' subscription to Persian College to 30th Rujeb			900	0		
	.. Interest on your account to 30th Rujeb, per your dustkuttibund			94,399	15½		
						3,45,086	0½
29.	.. Various purchases, per accompanying particulars					17,857	12
	TOTAL, Hyderabad Rupees					17,35,982	14¾

Cr.

H. 1236:— F. 1230.		Hyderabad Rupees.	A.
	Brought forward	8,37,783	3½
Rumzaun 29.	By balance due us carried forward	8,98,199	11¼
	TOTAL, Hyderabad Rupees	17,35,982	14¾

H. 1236:—
F. 1230.

Hyderabad,
Rumzaun 29th.

(Errors Excepted.)

(Signed) WM. PALMER AND Co.

(A true Copy.)

(Signed) GEO. SWINTON,
Secretary to Government.

[Account No. 8.—Folio 1.]

MOONEER-OLL MOOLK *in Account Current with* Messrs. WILLIAM PALMER and CO. *HYDERABAD.*

Dr.

			Hyderabad Rupees.	A.
H. 1236:— F. 1230.				
Rumzaun . 30.		To balance brought forward - - -	8,98,199	11¼
Zeehijj .... 18.	..	A hoondee on Sham Dos Oude Chund, Aurungabad, for Rs. 3,000, at two per cent., nine days' sight - -	3,060	0
17.	..	Your draft on us in favour Moteram Fotedar, for Rs. 62,500, in part -	36,074	11
24.	..	Do. Mahanund Ram Girdaree Loll, due in one month, Rs. 51,000, and Chittawun, Rs. 510 - - -	51,510	0
	..	Cash discounted draft in favour Usseed Moaz Jung, for Rs. 1,000, Rs. 980, discount Rs. 20, 24th Mohurrum -	1,000	0
17.	..	Draft in favour Sadee Ram Modee, due this date, Rs. 7,803; one per cent., Chittawun, for one month, Rs. 78½ -	7,881	0½
H. 1237.				
Mohurrum 1.	..	Your draft in favour Kishun Dos, Hurjeewun Dos - - - -	4,426	10½
	..	Purchase of an elephant - - -	2,000	0
6.	..	Your draft on us at three months' date	6,000	0
16.	..	Do. in favour Hussain ool Moolk, 1st instant, for Rs. 4,000, in part -	2,149	13
17.	..	Do. - do. Nirputgeer Duleil Geer Goossain - - - - -	10,133	12
17.	..	Chittawun in above draft, Rs. 10,133. 12	101	5¼
16.	..	Cash, draft in favour Hussain ool Moolk, in full Rs. 3,000 - - - -	850	3
Suffer . .... 6.	..	Cash paid your draft on us - - -	287	0
	..	Fifty tolas, six ms. at Rs. 18. 8., at six months, from 1st Suffer - - - 984 12		
	..	Workmanship - - 315 0	1,299	12
	..	Two jeegas, at six months, 14th Shuwaul - -	400	0
	..	One jechangurce, 12th Zeekaud - - - - 170		
	..	Six sirpainches - do. - 1,126		
	..	One pair dustbunds, do. 22d 270		
	..	One sutludda - do. - 1,080		
	..	One pair bajoobund, do. - 485		
	..	One pair ponchee, do. - 400		
	..	One pair kurrumphool, do. 274		
	..	One pair bajoobund, do. 27th 1,700		
	..	One pair chumpakullee, do. 2,210		
	..	One bhoojbund - do. - 900		
	..	One pair ponchee, do. - 975		
	..	One pair nouruttun, 29th 1,500		
	..	One channophool, do. - 300		
	..	One teeka - do. - 1,000		
	..	One joognee, 30th do. - 850	13,240	0
	..	Six sirpainches, 20th Zeehijj 998		
	..	Two jeegahs - do. - 433		
	..	One pair chowdence, do. 22d 175		
	..	One ring - do. 230		
	..	One chewulphool - do. 175		
	..	One joognee - do. 275		
	..	Two hars - 23d 927	3,213	0
			18,152	12
13.	..	Your draft on us, cash paid - -	6,000	0
17.	..	Cash paid your draft on us, Rs. 3,727. 7, for purchase kinaree gold, in part -	3,060	0
18.	..	Do. - do. - do. - do. in full -	667	7
15.	..	Commission on above purchase, at one per cent. - - - - -	37	4¼
15.	..	Cash paid draft on us in favour Bhowangeer Honsgeer - - -	3,918	8
	..	Chittawun on - do. - -	39	3
Rubbee oo awul 10.		Paid in part your draft on us, for Rs. 12,500, one month's credit -	4,000	0
13.	..	Do. - do. - do. -	2,000	0
16.	..	Cash paid in part - do. -	32	12
15.	..	Our bill on Jye Kishun Dos Kishun Dos, at eighteen per cent. -	944	0
	..	Five per cent. commission on Rs. 800, purchase of medicines - - -	40	0
19.	..	Paid in part your draft, Rs. 12,500 -	4,000	0
21.	..	Do. - do. - do. -	1,000	0
23.	..	A transfer in part - do. -	500	0
Rubbeee oo sanee 3.	..	Paid in full - - do. -	1,000	0
		Carried forward -	10,69,066	0¾

Cr.

			Hyderabad Rupees.	A.
H. 1236:— F. 1230.				
Shuwaul .. 15.		By third kist of a tunkha on Rajah Shupershad - - - - - -	56,305	0
	..	Amount on security of jewels, Rs. 25,000 less one and three quarters per cent. - - - - 437 8	24,562	8
	..	Do. - - do. Rs. 75,000, less do. for one month - -	73,687	8
25.	..	Do. - do. Hoondee for do. -	50,000	0
Zeehijj	..	Two hoondees in part second kist of a tunkha, for Rs 3,51,010. 5.:		
		1st instant - 10,000 0		
		10th - - - 12,000 0	22,000	0
4.	..	A hoondee received on account Idroos Khan - - - - - -	15,000	0
9.	Do.	- from do. - - - -	20,000	0
H. 1237.				
Suffer..... 16.	..	A transfer on account Shah Alim Khan	15,000	0
	..	Hoondees on Rajuppa Kotekur:		
		22d Mohurrum - - 6,083 14		
		30th - - - - 15,000 13		
		4th instant - 14,000 0		
		8th - - - 19,000 0	54,084	11
2.	..	A hoondee on do. - - - -	16,000	0
12.	..	Do. - do. - - - -	21,000	0
	..	Amounts realized on draft:		
		3d instant - 23,447 8		
		9th - - - 6,000 0		
		10th - - - 26,858 8	56,306	0
Rubbee oo sanee 9.		Two hoondees on Rajuppa Kotekur, for third kist of a tunkha - -	10,635	0
	..	A hoondee on do. do. - - -	4,007	0
1.	..	First kist of a tunkha on Rajah Shupershad - - -	56,305	0
	..	Transfer excess at your credit, balance Rs. 82,100,7½, 30th Mohurrum	39,112	10
9.	..	Cash received from Idroos Khan, in part kist - - -	37,831	0
13.	..	Do. - do. - do. - -	169	0
22.	..	Our draft on Idroos Khan - 25,015 0		
23.	..	Do. - do. do. - 3,757 8	28,772	8
		Cash received from Idroos Khan -	38,200	0
	..	Do. for hoondees on Rajuppa Kotekur, 9th Rubbee oo sanee - -	2,995	0
	..	Do. received from Idroos Khan, 9th Rubbee oo sanee - - 863 0		
	..	Do. - do. 13th - do. 10,087 0	10,950	0
	..	Do - do. 13th - do, - -	7,130	0
		Do. in hoondee on Rajuppa Kotekur, 13th Rubbee oo sanee - - -	1,000	0
	.	Do. in two hoondees on do. do. -	283	0
Rujeb. .... 7.	..	Amounts received on account Idroos Khan, Rs. 5,000+4,000 - -	9,000	0
Shabaun... 1.	..	Second kist of a tunkha on Rajah Shupershad - - - - -	56,305	0
	..	Transfer various purchases twice at your debit - - - - - -	4,916	0
	..	Hoondees received from Idroos Khan:		
		27th Shabaun, in full first kist - 2,107 12		
		Do. in part second do. 25,000 0		
		29th do. do. 16,080 4		
		41,080 4	43,188	0
	..	Hoondees received from Idroos Khan on account second kist:		
Rumzaun . 1.		- - - - 20,000 0		
3.	-	- - - - 25,000 0		
5.	-	- - 30,000 0	75,000	0
	..	Your drafts account for a draft at debit of this, and included in the drafts account, 2d Rumzaun -	1,15,990	12
		Carried forward -	Rs. 9,65,735	9

[Account No. 8.—Folio 2.]

MOONEER OOL MOOLK *in Account Current with* Messrs. WILLIAM PALMER and Co.

HYDERABAD.

Dr. *Cr.*

H. 1237 :— F. 1231.			Hyderabad Rupees.	A.
		Brought forward -	10,69,066	0¾
Rubbee oo sanee	7.	To cash paid your draft in favour Sinuppa Naick due this date - - - - -	4,000	0
	1. ..	your draft in favour Mr. John Ogilvie on account his pay - - - - -	1,979	15
	10. ..	Cash paid for feed of elephants - -	39	14¼
Jemadee ool awul	1.	Your draft on us in favour of Shadee Ram Modee - - - - - - -	8,000	0
	3. ..	Do. - Mootee Ram for Rs. 12,500-	12,500	0
	5. ..	Do. - Mohummed Ali on account Chunam - - - - - -	1,000	0
	..	Six months' subscription to Persian College to 30th Mohurrum - - -	900	0
	..	Various purchases per accompanying particulars to do. - - - - -	12,482	5¾
	..	Interest on your account to 30th Mohurrum - - - - 94,751 2½		
	..	Chittawun not charged - 250 7½		
			95,001	10
	7. ..	Your draft on account garden expenses due this day - - - - -	2,137	8
	6. ..	Cash paid draft for purchase of shawls -	300	0
	9. ..	Interest on Rs.1,00,000, on security of jewels draft on us - - -	10,208	5
	20. ..	A transfer in full Rs. 12,500, for Jemadee ool awul - - - - - -	1,062	8
Jemadee ool awul	14.	Your draft on us for Rs. 12,500 for Jemadee oo sanee - - - - -	12,500	0
	..	Do. - in favour Yeuktier Khan, 30th Rubbee oo sanee - - - -	15,000	0
	..	Do. - 28th Jemadee ool awul - -	3,600	0
Rujeb ..	30. ..	Draft on us dated 7th Rujeb to redeem security of a jewel pledged - -	92,000	0
	..	One sirpainch at six months'credit from 14th Rubbee ool awul - - - 315 0		
	..	One jeegah - do. - 250 0		
	..	One sirputta, 27th do. 611 0		
		1,176 0		
	..	One har, 8th Rubbee-oo sance - - 400 0		
	..	Two pairs bhoojbunds 25th do- - - 1,840 0		
	..	Two dustbunds do. 1,310 0		
	..	Three sirpainches do. 760 0		
		4,310 0		
	..	Six do. 11th Jemadee ool awul 698 0		
	..	One pair bhoojbunds 1st Jemmadee oo sanee - - 1,500 0		
	..	One sirpainch do. 150 0		
	..	One sirputta 4th do. 473 0		
	..	Seven sirpainches do. 899 0		
	..	One pair nouruttun with two diamonds 6th do - - 1,725 0		
	..	One sirputta do. 1,400 0		
	..	Six sirpainches do. 422 0		
		6,459 0		
	1. ..	One pair bhoojbunds - - 1,690 0		
			14,333	0
	..	Your draft dated 19th Rubbee oo sanee in favour Misree Khandrie, 10th Jemadee oo sanee - - - - - -	10,000	0
	14. ..	Your draft on us for Rupees 12,500 -	12,500	0
	13. ..	Do. in favour Shunnaoolla Khan -	914	12
	7. ..	Do. - for Rupees 12,500, for the month of Shabaun - - - - -	12,500	0
	..	Four sirpainches at six months' credit from 7th Rujeb - 560 0		
	..	One pair boogda, 13th do. - 210 0		
	..	One kurrumphool do. - - 297 0		
	..	One poncheo - do. - - 450 0		
	..	One arsee - do. - - 216 0		
	..	Two pearls and one bored emerald for a nuth - - 500 0		
			2,233	0
	7. ..	Your monthly draft of Rupees 12,500 -	12,500	0
	..	Eight sirpainches at six months' credit from 15th Shabaun - - - -	1,032	0
	..	Your six months' subscription to Persian College, to 30th Rujeb - -	900	0
	..	Your drafts account transfer, do. -	1,73,124	9¼
	..	Various purchases per accompanying particulars to do. - - - -	21,656	10¾
	..	Interest on your account to do. - -	84,218	3¾
	..	Chuttawuns on drafts omitted to do. -	1,847	6
Shuwaul	7. ..	Your monthly draft on us for Rs. 12,500 this date - - - - -	12,500	0
		A gold and silver sword belt, 13th Shuwaul, H. 1236, Sicca Rupees 139 11¼ at 21 10 - - - - -	169	14½
		Five per cent commission on above -	6	15½
	9. ..	Various purchases per accompanying particulars to this date -	6,866	15¾
		Total Hyderabad Rupees -	17,09,081	10¼

H. 1237 :— F. 1231.		Hyderabad Rupees.	A.
	Brought forward -	9,65,735	9
Shuwaul ..	9. .. By balance due us carried forward -	7,43,346	1¼
	Total Hyderabad Rs.	17,09,081	0¼

[Account No. 9.—Folio 1.]

MOONEER-OOL MOOLK *in Account Current with* Messrs. WILLIAM PALMER and CO. *HYDERABAD.*

Dr.

			Hyderabad Rupees.	A.
H. 1237 :— F. 1232.				
Shuwaul .. 9.	To balance due us brought forward - -		7,43,346	1¼
Zeekaud .. 7.	.. Your monthly draft of Rs. 12,500 -		12,500	0
10.	.. Your draft on us for Rs. 10,500 -		10,500	0
Zeehijj .. 15.	.. Your draft on us, at one month's date -		10,000	0
	.. Cash paid your draft in favour Mirza Hussan, &c. - - - - -		700	0
18.	.. Do. paid in part draft Rs. 20,474. 14¼ -		2,000	0
17.	.. Paid in part Rs. 2,000 - - -		946	14
22.	.. Cash paid in part draft Rs. 20,474. 14¼		2,000	0
27.	.. Do. paid draft at one month's date, to Dowlut Ram Gumbeer Mull - -		2,000	0
29.	.. Draft on us in part Rs. 20,474. 14¼ -		3,000	0
H. 1238.				
Mohurrum 1.	.. Draft in part of allowance for Mohurrum to Rognoth Doss - - - - -		937	8
2.	.. Cash, by order - - - - -		418	4¼
	.. Interest in sums advanced by us - -		109	8
19.	.. Draft due this date, in part payment for Suffer - - - - -		12,980	0
Suffer.... 15.	.. Your draft in favour Husson Sahib for Rs. 3,000, 2,976+chittawun 24 -		3,000	0
Rubbee ool awul 2.	Your draft on us in part payment for Suffer - - - - - -		10,400	0
	.. Two hars, at six months' credit, from 13th Rumzaun last Rs. 2,160 0			
	.. One sirputta do. do. 1,215 0			
	.. One sirpainch do. - do. 85 0			
	.. One do. do. 15th do. 225 0			
	.. One do. do. 27th do. 85 0	3,770 0		
	.. Two sirpainches, 5th Shuwaul - 309 0			
	.. Five sirpainches, 7th do. - - 518 0			
	.. One jeegah do. - 200 0	1,027 0		
	.. One furd bhoojbund, 22d Zeehijj 270 0			
	.. One sirpainch do. - 175 0			
	.. Two sirputtas do. - 385 0			
	.. Four sirpainches, 26th Zeehijj - 530 0			
	.. One furd bhoojbund do. - 75 0	1,435 0		
			6,232	0
Rubbee oo sanee 8.	Cash paid in part payment for Rubbee oo sanee Rs. 13,631. 12½ - - -		3,000	0
9.	.. Do. do. - do. - -		2,000	0
13.	.. Do. - do. - do. - -		115	10½
15.	.. Do. - do. - do. - -		2,000	0
6.	.. Do. do. - do. - -		2,361	13
25.	.. Do. - do. - do. - -		3,550	0
28.	.. Do. in full - do. - -		604	5
	.. Do. in advance do., for Jemadee ool awul		847	5
Jemadee ool awul 7.	.. Your monthly draft of Rs. 12,500 -		12,500	0
Jemadee oo sanee 3.	Paid in part Rs. 13,631. 12½, for Jemadee ool awul - - - - - -		997	8
23.	.. Your draft for Rs. 10,500, for interest on advance made of security of jewels		10,500	0
	.. Interest to 30th Mohurrum last - -		87,696	6½
	.. Various purchases, per accompanying particulars, to 30th Mohurrum last -		1,606	0
	.. Your subscription to Persian College, to 30th Mohurrum last - - -		900	0
36.	.. Cash paid in part draft for Jemadee oo sanee - - - - - -		17,735	8
Rujeb .. —	.. Your draft on us for Rs. 30,000, 30th Jemadee oo sanee, paid in part :—			
	10th Rujeb - Rs. 3,157 15			
	14th do. - - - 700 0			
	19th do. - - 1,369 8			
	20th do. - - - 445 8			
	21st do. - - - 500 0			
	27th do. - - 2,600 0		8,772	15
19.	.. Paid in full draft on us for Rs. 30,000 -		5,591	0
	.. Cash paid your draft to Omied Chund Gopaul Chund, 30th Jemadee oo sanee		15,636	1
1.	.. Your draft at two months' date, in favour Hajee Ali Buksh - - - -		7,000	0
	.. Five sirpainches, at six months' credit, from 30th Rubbee ool awul Rs. 698 0			
	.. One pair chowdanee - 170 0			
	.. Four pair dusthunds - 1,400 0			
	Carried forward - Rupees 2,268 0		10,04,484	11½

Cr.

			Hyderabad Rupees.	A.
H. 1237 :— F. 1232.				
Zeekaud .. 1.	By 3d kist of a tunkha on Rajah Shupershad		56,305	0
H. 1238.				
Suffer .. —.	.. 4th kist - do. - in following dates :			
	7th Suffer Rs. 20,000 0			
	14th do. - - 26,049 0			
	15th do. - - 10,257 0			
		56,306	0	
Rubbee ool awul 24.	Cash received from Mahomed Idroos Khan		24,998	8
Rubbee oo sanee 1.	Do. - - - do. - -		61	8
	.. Sums received from do. following dates :—			
	12th Zeekaud - Rs. 860 8¾			
	7th Zeehijj - - 510 0			
	3d Mohurrum - 450 0			
	4th do. - - 816 0			
	6th Suffer - - 816 0			
		3,452	8¾	
	.. Received on account tunkha on Mahomed Idroos Khan :			
	18th Rubbee oo sanee Rs. 11,131 14½			
	25th - do. - 35,000 0			
		46,131	14½	
27.	.. Received on account tunkha on Mahohomed Idroos Khan - - - -		15,000	0
Jemadee ool awul —	.. Received from Rajah Shupershad in full his first kist :			
	8th instant - - Rs. 11,811 0			
	9th do. - - 20,246 0			
	10th do. - - 4,248 0			
		36,305	0	
8.	.. Cash received from Rajah Shupershad -		20,000	0
4.	.. A transfer on account tunkha on Mahomed Idroos Khan - - - -		20,000	0
12.	.. Received on account - do. - -		25,000	0
27.	.. Do. - - - do. -		15,000	0
Jemadee oo sanee 11.	Do. - - do. - -		25,000	0
	.. 2d kist Rupees 56,305 of a tunkha on Rajah Shupershad discounted at 2 per cent., 15th Shabaun - - -		7,615	14
Rujeb .. —	.. Cash do. do. - do.		47,000	0
	.. Hoondees received from Mahomed Idroos Khan :			
	3d Jemadee oo sanee Rs. 9,000 0			
	7th do. - 11,000 0			
		20,000	0	
	Cash received from Rajah Shupershad, on account his 3d kist, 23d Zeekaud -		54,053	0
Shabaun 15.	.. Amount in full kist from Rajah Shupershad, Rupees 56,305 - - -		1,689	2
Zeekaud 23.	.. Do. in full 3d kist of above -		2,252	0
15.	.. Cash received from Mahomed Idroos Khan - - - -		15,000	0
20.	.. Do. - - - do. - -		15,000	0
	.. Amount credit interest, 30th Rujeb		21,626	13¼
	.. Amount balance of your Tubreer account		10,221	5¾
	Carried forward - Rupees 5,48,018			10¼

[Account No. 9—Folio 2.]

MOONEER-OOL MOOLK *in Account Current with* Messrs. WILLIAM PALMER and Co.
HYDERABAD.

Dr. *Cr.*

H. 1238 :— F. 1232.				Hyderabad Rupees.	A.
	Brought forward - Rs.	2,268	0	10,04,484	11½
	To two sirputtees, at six months' credit, from 30th Rubbee oo sanee - Rs.	315	0		
	.. Four sirpainches	915	0		
		1,230	0		
	.. One hundred and eight diamonds, Rs. 33, at 50, 24th Jemadee ool awul - -	1,690	10		
	.. Three pairs bhoojbunds -	515	0		
	.. Four sirpainches	401	0		
	.. One teeka, with two pearls of 14 ch. - - -	4,300	0		
	.. One pudduk -	4,600	0		
		11,506	10		
	.. One do. 26th -	115	0		
	.. One hundred and seventy - one pearls, 53¼ ch., at 10 - -	532	8		
	.. One har - -	1,620	0		
	.. One pair bhoojbunds - -	1,500	0		
	.. One sirpainch -	352	13		
	.. One pair pearls -	575	0		
		4,695	5		
				19,699	15 0
Rumzaun 29.	.. Draft on us 15th Rubbee ool awul, in favour Shabaz Khan Hoossaingee			11,420	0
	.. Purchase of tunkha, per account -			12,009	9
	.. Do. of clothes, per do. - -			8,690	0
Jemadee ool awul 8.	Advance on security of jewels, interest at 1¾ per cent. - - - -			1,00,000	0
	.. A payment on do., being on our responsibility, now realized by us, Rupees 30,000 :—				
	1st Rubbee ool awul Rs.	10,000	0		
	15th do. - -	10,000	0		
	14th Rubbee oo sanee	10,000	0		
				30,000	0
	.. Amount payments on your drafts to your resalahs :—				
	30th Rubbee ool awul, due this date - - Rs.	2,28,481	2½		
	30th Jemadee oo sanee	45,395	6		
				2,73,876	8½
	.. Gold furnished for a musical box, 1st Mohurrum, H. 1236.—				
	Weighing 20 tolas, at 19 Rs.	380	0		
	Workmanship - -	120	0		
				500	0
Shabaun 30.	.. Amount drafts as above to your resalahs, due this date - - - -			82,258	0
Rujeb .. 30.	.. Interest to this date - - - -			1,33,504	1¾
	.. Balances due by sundries on your security, as follows :—				

Kullunder Beg	Rs. 518	8	Siddee Ummur	Rs. 258	7
Namdar Khan	5,563	0	Khajeh Syud Khan	832	13
Nissor Alli	207	7½	Syud Hoossain Khan	1,467	3½
Meer Jorshoor oola Khan	1,308	8½	Shums-ood Deen	156	0
Syed Zyneeool Aboo Deen	1,047	10	Mahomed Oosman	729	6
Khojeh Bissimillah	51	10¾	Meer Hussun	20	12¼
Mootee Ram Pundit	467	6¼	Hoossun Yowar Jung	2,156	10¾
Munnee Khan	155	7¾	30th Rujeb	17,532	0
Mahomed Yacobb	259	14¾	Namdar Khan, 25th Shabaun	150	0
Mahomed Chund	259	9½	Mahomed Hyatoollah, 1st Rumzaun	252	4
Syud Mahomed Dheen	155	14⅝	Inayet Khan, do.	32	5½
Mohun Sing	103	10¾			
Assif Khan	1,774	10			
Meer Ussud Oollah	37	5½			
				17,966	9½
	To amount less entered 7th Jemadee ool awul, on your draft for Rs. 12,560 -			60	0
	.. Difference in entry, Rs. 1,73,124. 9¼, on 30th Rujeb, H. 1237, it being Rs. 1,73,131. 8½ - - - -			6	15¼
	Hyderabad Rupees			16,94,776	6½

H. 1238 :— F. 1232.		Hyderabad Rupees.	A.
	Brought forward -	5,48,018	10¼
	By balance due to us - - -	11,46,757	12¼
	Hyderabad Rupees	16,94,776	6½

(Errors Excepted.)
(Signed) W. PALMER and Co.

Hyderabad,
16th August 1823.

(A true Copy.)
(Signed) GEO. SWINTON,
Secretary to Government.

[Account marked A.S.—Folio 1.]

MOONEER-OOL MOOLK ..... *Dr.*

H. 1235.			Hyderabad Rupees.	A.	Hyderabad Rupees.	A.
Shabaun 27.	To ten sreemundums - - - - - - - -		95	0		
28.	.. Twelve do. - - - - - - - - -		114	0		
29.	.. Three do. - - - - - - - - -		28	8		
					237	8
Rumzaun 19.	One piece of dooputta - - - - -	Rs. 45 10				
	.. Two singles do. - - - - - -	73 14				
			119	8		
20.	One small bottle - - - - - -	Rs. 6 14				
	.. Half tollah uther - - - - - -	3 12				
			10	10		
					130	2
Shuwaul 1.	.. Two pairs of shawls - - - - - - - -		418	0		
9.	.. One - do. - - - - - - - - -		225	0		
17.	.. Six tollahs and ten moushas of musk -	Rs. 150 5				
	.. Two pieces of augabanees - - - -	150 0				
	.. Two pieces of Benares dooputtas - - -	324 0				
	. Two - - do. - - - - -	222 0				
	. Six - - do. - - - - - -	468 0				
	Four - - do. - - - - - -	284 0				
	Two - - do. - - - - - -	136 0				
	.. Two - - do. - - - - - -	128 0				
	.. Three - do. - - - - - -	164 0				
	.. Four pieces of kimkhabs - - - - -	414 0				
	.. Five - - do. - - - - - -	660 0				
	Ten pieces of seelahs - - - - -	174 0				
			3,274	5		
30	One breakfast set, &c. - - - - - - -		277	0		
					4,194	5
Zeekaud 27.	Eighteen dolkas - - - - - - - -		135	0		
28	. Thirty-one do. - - - - - - - -		232	8		
					367	8
Zeehijj 1.	.. Forty-one sreemundums - - - - - -		389	8		
5.	.. Four dauputs - - - - - - - - -		64	0		
13.	.. Twenty-four dolkas - - - - - - -		180	0		
14.	.. Six - - do. - - - - - - - -		45	0		
15.	.. Seven - do. - - - - - - - -		52	8		
16.	.. Six dauputs - - - - - - - - -		96	0		
27.	. Eleven dolkas - - - - - - - -		82	8		
					909	8
	Carried forward - - - -				5,838	15

[Account marked A.S.—Folio 2.]

MOONEER-OOL MOOLK... .....*Dr.*

				Hyderabad Rupees. A.	Hyderabad Rupees. A.
H. 1236.			Brought forward -	- - -	5,838 15
Mohurrum	1.	To eight sreemundums - - - - -		76 0	
	2.	Six do. - - - - - - -		57 0	
	5.	.. Two do. - - - - - - -		19 0	
	13.	.. Eight do. - - - - - -		76 0	
	14.	.. Ten do. - - - - - - -		95 0	
	16.	.. Twenty-five cuddies - - - - -		25 0	
				———	348 0
			Hyderabad Rupees		6,186 15
H. 1235.					
Zeehijj	15.	.. One piece dooputta - - - - -		160 0	
		.. One - do. - - - - - -		156 0	
		.. One - do. - - - - - -		186 0	
		.. One piece of kimkhab - - - -		200 0	
		Two - do. - - - - -		460 0	
		.. Eight maunds wax candles - - -		264 0	
		.. One pair of Lachee shawls - - -		375 0	
		.. Two pieces of kimkhabs - - - -		508 0	
		.. Four pieces of Punwarra muslins - -		92 0	
		.. Seven do. turbans - - - -		45 8	
		.. One hundred and forty-six dauk - - -		365 0	
		One hundred and ninety-two marble slabs -		432 0	
				———	3,243 8
H. 1236.					
Suffer	15.	Two pairs of shawls - - - - -		445 0	
		.. Ten pairs of shawls and 5 pieces of kimkhabs		2,700 0	
		.. One pair do. - - - - - -		261 0	
		.. Five pairs do. - - - - - -		1,225 0	
		.. Ten maunds wax candles - - - -		270 0	
				———	4,901 0
Rubbee ool awul	15.	.. Ten glass chimnies and 2 gross wicks - -		26 0	
		.. Ten pieces of eloichies - - - -		377 0	
		.. Two pieces of himroos - - - -		151 0	
		.. Three do. mushroos - - - -		195 0	
		Five do. himroos - - - -		175 0	
		.. Five do. mushroos - - - -		167 8	
		.. One dozen silver handle knives and forks -		393 12	
		.. Forty pieces of Punwarra muslins -		825 0	
				———	2,310 4
			Carried forward - Hyderabad Rupees		10,454 12

[Account marked A.S.—Folio 3.]

MOONEER-OOL MOOLK ..... *Dr.*

					Hyderabad Rupees.	A.	Hyderabad Rupees.	A.
			Brought forward	- - -			10,454	12
Jemadee ool awul	9.	To eleven maunds of wax candles	- - - -		297	0		
	11.	.. Three pieces of keemt	- - - - -		952	0		
	20.	.. One shawl roomal	- - - -	30 0				
		.. Four pieces of kimkhabs	- - -	502 0				
		.. One dooputta	- - - - -	163 0				
					695	0		
							1,944	0
Jemadee oo sanee	26.	.. Sixty pieces of salampores	- - - - -		- -		510	0
Rujeb	1.	.. Twelve toys	- - - - - - -		- -		33	0
Shabaun	10.	.. Eleven pieces punwarra muslins	- - -		294	0		
		.. Two do. of kimkhabs	- - - - -		215	0		
		.. One do. dooputta	- - - - - -		110	0		
		.. Four do. of kimkhabs	- - - - -		400	0		
		.. One dooputta	- - - - - - -		160	0		
		.. One piece of do.	- - - - - -		360	0		
		.. One - do.	- - - - - -		348	0		
		.. One - do.	- - - - - -		107	0		
		.. One - do.	- - - - - -		108	0		
		.. Two pieces do.	- - - - - -		166	0		
		.. One piece of kimkhab	- - - - -		198	0		
		.. One - do.	- - - - - -		232	0		
		.. Nine - do.	- - - - - -		963	0		
		.. Seven dooputtas	- - - - - -		515	0		
							4,176	0
Rumzaun.....	1.	.. Three pieces of satin	- - - - -		324	0		
		.. Two - of flowered silks	- - - -		216	0		
		.. Two ivory baskets	- - - - - -		200	0		
							740	0
				Hyderabad Rupees			17,857	12

[Account marked A. S.—Folio 4.]

MOONEER-OOL MOOLK .... *Dr.*

H. 1237.					Hyderabad Rupees. A.	Hyderabad Rupees. A.
Suffer	7.	To four pairs of shawls - - - - - - -				740 0
Rubbee ool awul..	1.	.. Kinnarie, &c. - - - - - - - -				289 12
Rubbee oo sanee..	1.	.. One pair of shawls - - - -	750	0		
		Three pieces of punwarra muslins -	60	0		
		.. Six - do. - do. - - -	90	0		
		.. Two pairs of shawls - - - -	525	0		
		Three pieces of dooputtas - - -	392	0		
		Three do. - do. - - -	360	0		
		.. Five do. of kimkhabs - - -	1,145	0		
		.. Three pairs of shawls - - -	540	0		
		.. Nine maunds and two and a half seers of candles - - - - -	248	10		
		Five pieces of dooputtas - - -	543	0		
					4,653 10	
	3.	Kinnarie, &c. - - - - - - - -			480 0	
						5,133 10
Jemadee ool awul	18.	.. Six pairs of shawls - - - - - - -				3,209 0
Jemadee oo sanee	4.	.. Three sets trays - - - - - -			234 0	
	25.	.. Kinnarie. &c. - - - - - - -			935 4	
						1,169 4
Rujeb	1.	.. Three Benares dooputtas - - - -			2,030 0	
		.. Twenty pieces of kimkhabs - - -			4,261 0	
		.. Forty-six do. of sealas - - - -			269 0	
		.. Eight pairs of shawls - - - -			1,708 0	
		.. Ten pieces of kimkhabs - - - -			747 0	
		.. Two do. - do. - - - -			243 0	
		.. Ten maunds of candles - - - -			270 0	
		.. Three Benares dooputtas - - - -			217 0	
		.. One do. - do. - - - -			135 0	
		.. One do. - do - - - -			300 0	
		.. Six do. - do. - - - -			845 0	
	8.	Three maunds and four seers of wax candles -			90 0	
						11,115 0
					Hyderabad Rupees	21,656 10½

[Account marked A. S—Folio 5.]

MOONEER-OOL MOOLK .....*Dr.*

					Hyderabad Rupees. A.	Hyderabad Rupees. A.
H. 1237.						
Rujeb	24.	To two pieces of kimkhabs				185 0
Shabaun	14.	Four pairs of shawls, lackhee			695 0	
		Two Benares dooputtas			214 0	
	19.	One do. do.	100 0			
		Two pairs of shawls	467 0			
					567 0	
						1,476 0
Ramzaun	15.	Three pairs of shawls			706 0	
	17.	Two Benares dooputtas			250 0	
	26.	Three pairs of shawls			720 0	
						1,676 0
Shuwaul	9.	Nine pairs of shawls			2,030 0	
		Ten do. do.			1,500 0	
						3,530 0
					Hyderabad Rupees	6,867 0
Zeekaud	26.	Four pieces of mushroos			88 0	
		Six do. muslins			228 0	
						316 0
H. 1238.						
Mohurrum	27.	Six pairs of shawls				1,290 0
					Hyderabad Rupees	1,606 0
H. 1237.						
Rubbee oo sanee	23.	Timber for				
		One hundred and six duntas, at 2 rupees and 2 ans. each			225 4	
		Forty do., at 1 rupee and 8 ans each			60 0	
		Seventy-two curries, at 1 rupee each			72 0	
		One hundred dolkas, at 7 rupees and 8 ans. each			750 0	
		Six sreemundums, at 9 rupees and 8 ans. each			57 0	
		Twenty-five dauputs, at 15 rupees each			375 0	
		Ten do., at 20 rupees each			200 0	
		Two dolka wants at 40 rupees each			80 0	
						1,819 4
				Carried forward		1,819 4

[Account marked A. S.—Folio 6.]

MOONEER-OOL MOOLK ..... *Dr.*

H. 1237.			Hyderabad Rupees.	A.	Hyderabad Rupees.	A.
		Brought forward -	-	-	1,819	4
Jemadee ool awul	8.	To fifty curries, at one rupee each - -	50	0		
	..	Twelve duntas, at 2 rupees and 4 ans. each	27	0		
	..	One dolka - - - - - -	7	8		
					84	8
	13. ..	Fifteen duntas, at 1 rupee and 8 ans. each -			22	8
	16. ..	Two curries, at 14 ans. each - - - -	1	12		
	..	One dolka - - - - - -	7	0		
					8	12
						115 12
Jemadee oo sanee	1.	Fifty duntas, at 2 rupees and 4 ans. each - -			112	8
	3. ..	Eight dauputs, at 20 rupees - - -	160	0		
	..	Eleven dolkas, at 7 rupees and 8 ans. -	82	8		
	..	Nineteen sreemundums, at 9 rupees 8 ans.	180	8		
					423	0
	9. ..	Twenty duntas, at 2 rupees and 4 ans. -	45	0		
	..	Fifty curries, at 1 rupee each - -	50	0		
					95	0
	12. ..	Thirty duntas, at 2 rupees and 4 ans. -	67	8		
	..	Thirty-four dolkas, at 7 rupees and 8 ans.	255	0		
					322	8
	13. ..	Twenty-five duntas, at 2 rupees and 4 ans.	56	4		
	..	Fifty dolkas, at 7 rupees and 8 ans. -	375	0		
					431	4
	21. ..	One hundred duntas, at 2 rupees and 4 ans.	225	0		
	..	Three dolkas, at 7 rupees and 8 annas -	22	8		
	..	Three sreemundums, at 9 rupees and 8 ans. each - - - - -	28	8		
					276	0
	22. ..	Twenty-four dolkas, at 7 rupees and 8 ans. each -			180	0
	25. ..	One wunt measuring six yards and twelve feet long at 10 rupees - - -	65	0		
	..	One do. seven yards at 20 rupees -	140	0		
	..	One do. six yards at 10 rupees - -	60	0		
	..	One do. eight yards at 20 rupees - -	160	0		
					425	0
						2,265 4
Rujeb	4. ..	One hundred and eleven duntas, at 2 rupees and 4 ans. - - - - -	249	12		
	..	Two dolkas, at 7 rupees and 8 ans. -	15	0		
					264	12
	14. ..	Eleven duntas, at 2 rupees and 4 ans. -	24	12		
		One dolka - - - - - -	7	0		
					31	12
	15. ..	Fifty duntas, at 2 rupees and 4 ans. - -			112	8
	16.	Twelve do. - - - - - -			27	0
	19. ..	Sixteen do. - - - - -	36	0		
	..	Fifty curries, one rupee each - - -	50	0		
					86	0
	26. ..	Twenty-five do., at 13 ans. each - -	20	5		
	..	Five dolkas, at seven rupees - -	35	0		
					55	5
						577 5
		Carried forward -			4,777	9

[Account marked A. S.—Folio 7.]

MOONEER-OOL MOOLK ..... *Dr.*

H. 1237.			Hyderabad Rupees. A.	Hyderabad Rupees. A.
		Brought forward	- -	4,777 9
Shabaun	11.	To six sreemundums, at 7 rupees - - - - -	42 0	
	14. ..	One hundred and fifty duntas, at 1 rupee and 12 ans. -	262 8	
	15. ..	Forty-six dauputs, at 12 rupees - - - - -	252 0	
	16. .	Two duntas, at 1 rupee and 13½ annas each - - -	3 11	
	18.	Two do. - - - do. - - - - -	3 10	
	19. ..	Ten curries, at 13 ans. each - - Rs. 8 2		
	..	Four duntas, at 1 rupee and 12 ans. - - 7 0		
			15 2	
	20. ..	Ten do, at 1 rupee and 13 ans - - - -	18 2	
	22. ..	One dauput - - - - - - - -	13 0	
				910 1
Rumzaun	2. ..	Ten duntas, at 1 rupee and 14 ans. - Rs. 18 12		
	..	Four curries, at 12 ans. - - - - 3 0		
			21 12	
	3. ..	Three duntas, at 1 rupee and 14 ans. - - - -	5 10	
	5. ..	Two do. - do. - - - - -	3 12	
	7. ..	Four do. - do. - - Rs. 7 8		
	..	Twenty-five curries, at 12 ans. each - - 18 12		
			26 4	
	8. .	One hundred and fifty-seven duntas, at 1 rupee and 14 ans. - - - - - Rs. 294 6		
	..	Six sreemundums, at 7 rupees - - - 42 0		
	..	Six dauputs, at 12 rupees - - - - 72 0		
			408 6	
	9. ..	Fourteen do., at 11 rupees - - Rs. 154 0		
	..	Twenty-three sreemundums, at 7 rupees - 161 0		
			315 0	
	10. ..	Ten duntas, at 1 rupee and 14 ans. - - - -	18 12	
	14. ..	Eleven dauputs, at 12 rupees each - - - -	132 0	
	20. ..	Ten duntas, at 1 rupee and 14 ans - Rs. 18 12		
	..	One sreemundum - - - - - 7 0		
	..	Two hundred and twenty-four curries, at 9 ans. each - - - - - - - 126 0		
	..	Two do., at 12 ans. each - - - - 1 8		
			153 4	
	24. ..	Twelve dauputs, at 12 rupees - - - - -	144 0	
	25. ..	Two hundred curries, at 12 ans. each - - - -	150 0	
	29. ..	One sreemundum - - - - Rs. 7 0		
	..	Five curries, at 9 ans. each - - - 2 13		
			9 13	
	30. ..	Ten dauputs, at 12 rupees - - - - -	120 0	
				1,508 9
		Carried forward -		7,196 3

[Account marked A S.—Folio. 8.]

MOONEER-OOL MOOLK ..... *Dr.*

H. 1237.				Hyderabad Rupees. A.	Hyderabad Rupees. A.
		Brought forward - -		-	7,196 3
Shuwaul 3.	To two hundred duntas, at 1 rupee and 6 ans. - -			275 0	
6. ..	Two - do. - - at 1 rupee and 13 ans. - -			3 10	
7. ..	Seventy-five curries, at 9 ans. - - -	Rs. 42 3			
..	Forty-two duntas, at 2 rupees each - - -	84 0			
				126 3	
8. ..	Ten - do., at 1 rupee and 14 ans. - - -			18 12	
14. ..	Twenty-five curries, at 9 ans. - - - - -			14 1	
18. ..	Five duntas, at 1 rupee and 6 ans. - - - -			6 14	
20. ..	Fifteen do., at 1 rupee and 13 ans. - - - -			27 3	
21. ..	Two sreemundums, at 7 rupees - - - - -			14 0	
22. ..	Two hundred and thirty duntas, at 1 rupee and 12 ans. -			402 8	
24. ..	Sixty-five - - - - do., at - - do. -	Rs. 113 12			
..	Ten dauputs, at 12 rupees - - - -	120 0			
				233 12	
					1,121 15
Zeekaud 10. ..	Four dolkas, at 4 rupees - - - - - -			16 0	
11. ..	Ten duntas, at 1 rupee 4 ans. - - -	Rs. 12 8			
..	Twenty-six dolkas, at 4 rupees - - -	104 0			
				116 8	
14. ..	Twelve sreemundums, at 7 rupees - - -	Rs. 84 0			
..	Twenty-one dolkas, at 4 rupees - - -	84 0			
..	Four duntas, at 1 rupee and 4 ans. - -	5 0			
..	Thirty-five curries, at 8 ans. - - - -	17 8			
				190 8	
16. ..	One hundred and eighty-six duntas, at 1 rupee and 4 ans. - - - - - -	Rs. 232 8			
..	Thirty-two sreemundums, at 7 rupees - -	224 0			
				456 8	
17. ..	Sixteen sreemundums, at 7 rupees - -	Rs. 112 0			
	Fifteen dolkas, at 4 rupees - - - -	60 0			
				172 0	
25 ..	Twenty duntas, at 1 rupee and 4 ans. - -	Rs. 25 0			
..	Fifty curries, at 8 ans. each - - - -	25 0			
				50 0	
27. ..	Two do., at 7 ans. - - - - -	Rs. 0 14			
..	Two duntas, at 1 rupee and 4 ans. - -	2 8			
				3 6	
					1,004 14
Zee hijj 7.	Six curries, at 8 ans. - - - - - - -			3 0	
10. ..	Twenty-five do., at 7 ans. - - - - - -			10 15	
14. ..	Three dolkas, at 4½ rupees - - - -	Rs. 13 8			
..	Two sreemundums, at 7 rupees - - -	14 0			
..	Four duntas, at 1 rupee and 14 ans. - -	7 8			
				35 0	
18. ..	One do., - - do. - - - - - -			1 13	
27. ..	Ten do., at 1 rupee and 13 ans. - - - -			18 2	
30. ..	Nine do., - - do., - - - - - -			16 5	
					85 3
		Carried forward -		- -	9,408 3

[Account marked A.S.—Folio 9.]

MOONEER-OOL MOOLK. .....*Dr.*

H. 1238.			Hyderabad Rupees.	A.	Hyderabad Rupees.	A.
		Brought forward - -			9,408	3
Moharrum	2.	To fifty duntas, at 2 rupees and 10 ans. each - Rs.	131	4		
		Five dolkas, at 7½ rupees - - - - -	37	8		
				168	12	
	14	.. Four sreemundums, at 7 rupees - - Rs.	28	0		
		.. Fourteen dauputs, at 11 rupees - - -	154	0		
				182	0	
	15.	.. Six sreemundums, at 9½ rupees each - Rs.	57	0		
		.. Twelve dolkas, at 7 rupees - - - -	84	0		
		.. Twenty duntas, at 2¼ rupees - - -	45	0		
				186	0	
	28.	Twenty sreemundums, at 9 rupees - - Rs.	180	0		
		.. Seven duntas, at 2¼ rupees - - - -	15	12		
				195	12	
	29.	.. Thirty-one - ditto - - - - - Rs.	69	12		
		.. Five sreemundums, at 6 rupees - - -	30	0		
				99	12	
						832 4
Sutler	12.	One hundred and six curries, at 1 rupee and 3 ans. Rs.	125	14		
		.. Thirty-two duntas, at 2¼ rupees - - -	72	0		
				197	14	
	16.	.. Sixty-one curries, at 1 rupee 3 ans. - Rs.	72	7		
		Thirty duntas, at 2¼ rupees - - - -	67	8		
				139	15	
	19.	Fifty do.. 1¼ do. - - - - Rs.	62	8		
		.. Twenty-five do., 2¼ do. - - - - -	56	4		
				118	12	
						456 9
Rubbee ool awul	2.	.. One hundred duntas, at 2 rupees and 3 ans. - - -		218	12	
		.. Thirty-three curries, at 1 rupee 3 ans. - Rs.	39	3		
		.. Six duntas, at 2¼ rupees - - - -	13	8		
				52	11	
	7.	One hundred curries, at 1 rupee 3 ans. - Rs.	118	12		
		Twenty-five do. - - - - - -	29	11		
				148	7	
	10.	.. One hundred and forty-five do. - - Rs.	172	3		
		Thirty-eight duntas, at 2 rupees 3 ans. - -	83	2		
				255	5	
	13.	.. Twelve do. - - - - - - Rs.	26	4		
		.. Three curries, at 1 rupee 3 ans. - - -	3	9		
				29	13	
	20.	.. Twelve duntas, at 2 rupees and 3 ans. - Rs.	26	4		
		.. Two curries, at 1 rupee and 3 ans. - -	2	6		
				28	10	
						733 10
Rubbee oo sanee	1.	.. Fifty duntas, at 2¼ rupees - - - Rs.	112	8		
		.. Twenty do., at 1 rupee 5 ans. - - -	26	4		
				138	12	
	6.	.. Seventy-five curries, at 13 annas each - - - -		60	15	
	7.	.. Ten duntas, at 2¼ - - - - - - - -		22	8	
	8.	.. One dauput - - - - - - - - -		13	0	
	10.	.. Eleven duntas, at 2¼ rupees - - - - - -		24	12	
						*259 15
		Carried forward	*259	15		11,430 10

[Account marked A.S.—Folio 10.]

MOONEER-OOL MOOLK ..... *Dr.*

H. 1238.			Hyderabad Rupees. A.	Hyderabad Rupees. A.
		Brought forward -	259 15—	11,430 10
Rubbee oo sanee	12.	To Thirteen duntas, at 2¼ rupees - Rs. 29 4		
		.. Seven curries, at 1 rupee - - 7 0		
			36 4	
	14.	.. Eighty-nine duntas, at 2¼ rupees - Rs. 200 4		
		.. Twenty-five curries, at 1 rupee and 3 ans. - - - - - - - 29 11		
			229 15	
	18.	.. Fifteen do. - - do. - - -	17 13	
	20.	.. Sixteen duntas, at 2 rupees and 3 ans. -	35 0	
				578 15
		Hyderabad Rupees		12,009 9
Suffer	25.	.. Twenty pairs of shawls - - - -	3,695 0	
Rubbee ool awul ...	22.	.. Eight bottles of Europe vinegar - - -	24 0	
				3,719 0
Jemadee ool awul ...	1.	.. One shawl - - - - - - -	37 8	
		.. Ten pieces of Punwarra scalas - - -	160 0	
		.. Fourteen pairs of shawls - - - -	2,175 0	
		.. For kinnarie, &c. - - - - -	236 9	
		.. Two pairs of shawls - - - - -	455 0	
				3,064 1
Jemadee oo sanee.	1.	.. Two pieces Benares doopattas - - -	500 0	
		.. Nine do. - do. - - - -	324 0	
		.. Eighteen pieces Punwarra scalas - -	291 0	
		.. Kinnarie, &c. - - - - - -	749 12	
		.. Eighteen and three quarters seers of wax candles	42 3	
				1,906 15
		Hyderabad Rupees		8,690 0

(A true Copy.)

(Signed) GEO. SWINTON,
Secretary to Government

Enclosures in Bengal Political Letter, 31 Oct. 1823.

Letter from Secretary to Government.

(Enclosure No. 19.)

To Sir C. T. Metcalfe, Bart., Resident at Hyderabad.

Sir:

1. I am directed to acknowledge the receipt of your despatch of the 29th August, regarding the demands of the house of William Palmer and Co. against the Prime Minister, Mooneer-ool Moolk.

2. The accounts submitted in your despatch appear to be as follow:

First. An account of certain articles purchased by Mooneer-ool Moolk from the firm, between the years of the Hejira 1235 and 1238 (A.D. 1820 to 1823), amounting in the aggregate to Rupees 75,000.

Secondly. A set of accounts-current, from H. 1226 to 1229 (1811 to 1814), signed by only one of the partners, Mr. William Palmer, which appears to be balanced by a transfer from the O. C. (or old concern) to N. C. (or new concern).

Thirdly. A set of accounts-current from 1229 to 1238 (1814 to 1823), which exhibits a balance against Mooneer-ool Moolk of Rupees 11,46,757.

3. The three sets of accounts above noticed appear to the Governor-General in Council to be entirely of a private nature, between the house and the Prime Minister in his individual capacity. Indeed, as being precluded from any share in the executive administration of the Government, Mooneer-ool Moolk could not have contracted any debts to the house, which could have been regarded in the light of public obligations.

4. But although the transactions in question cannot be said to have been carried on with the Government of his Highness the Nizam, yet adverting to their magnitude, during a series of years, and to the circumstances of Mooneer-ool Moolk being the nominal Prime Minister, it was incumbent on Messrs. William Palmer and Co. to have apprized the British Resident from the first, that they were thus deeply engaged in loans to that Minister. No mention, however, it is believed, was ever made by them to the British Resident of such transactions, until the recent restriction was imposed on their intercourse with both the Ministers: a sufficient proof, it may be observed, of the facility with which they trusted to realize their usurious demands, without the intervention of the British Government, so long as that Government was kept in ignorance of their proceedings, and fully demonstrating the necessity for imposing the restriction in question.

5. With regard to the recovery of the demands now brought forward against Mooneer-ool Moolk, you have been apprized by my separate letter (No. 3) of this date, that you cannot be the channel of illegal claims, the rate of interest appearing on the face of the accounts to exceed twelve per cent. per annum: but in the event of Messrs. William Palmer and Co. making the necessary alteration in the rate of interest charged, you are authorized to be the channel of forwarding the accounts in question to Mooneer-ool Moolk, and of communicating to the house the Prime Minister's decision thereon. Beyond this degree of interposition, you will not consider yourself at liberty to proceed. If Messrs. William Palmer and Co. should refuse to make any abatement in the charge for interest, so as to render their demand a legal one, and, on your declining, under such circumstances, to forward it, should solicit permission to hold intercourse with Mooneer-ool Moolk, and to recover their debt as they can, you will inform them that the existing restrictions cannot be relaxed.

6. The Governor-General in Council does not consider it necessary to enter into any particular examination of the accounts between Messrs. William Palmer and Co. and Mooneer-ool Moolk. I am directed, however, to state to you a few remarks that have occurred to his Lordship in Council on a very cursory inspection of them.

7. On a reference to the accounts in question, it appears that, exclusive of commission on purchases, discounts, and transfers, they shew a charge on account of interest to the enormous amount of Rupees 11,13,010, while there are only two small sums, amounting to Rupees 31,847, credited to the Minister for

Enclosures in Bengal Political Letter, 31 Oct. 1823.

Letter from Secretary to Government.

for interest in the account-current of 1237-8 (A.D. 1822-3). The Governor-General in Council concludes, that Mooneer-ool Moolk has not been allowed interest, because, with the above exceptions, no credit is given him for interest, and because the charge on the debit side is not "to balance of interest," but simply "to interest" from one date to another. Had Mooneer-ool Moolk been allowed interest on the sums of money paid into the house by him, or on his account, in the same manner as he has been charged with interest on advances made by the firm, it is probable that the balance due to Messrs. William Palmer and Co. would have been comparatively small. The claim which the house now make upon Mooneer-ool Moolk is Rupees 11,46,575, and the amount of interest charged, after deducting the small sum allowed for interest in the last account-current, is Rupees 10,81,163, so that the sum claimed by Messrs. William Palmer and Co. appears to consist almost entirely of an accumulation of compound interest, at an illegal and usurious rate.

8. The Governor-General in Council has remarked in the account No. 1 of the new concern for Hejira 1229 (A.D. 1814), several items of transfer from the old concern, one of which amounts to Rupees 55,155. What can be inferred from such transfers, but that the new concern is a continuation of the old, and that the interest of the members of the two concerns is completely identified? Again, in the account-current of the new concern (No. 4) for Hejira 1232 (A.D. 1817), his Lordship in Council is at a loss to understand what is meant by the following entry: "To your private note transferred balance of "this account closed, Rupees 188,840."

9. The only item on which the Governor-General in Council deems it necessary to call on the house for an explanation is the charge against Mooneer-ool Moolk in the account of the old concern (No. 3) for 1813, stated to be an order in favour of Mr. H. Russell, for Rupees 30,000. His Lordship in Council cannot comprehend what pecuniary transactions could have existed between the late Resident and Mooneer-ool Moolk, and desires that you will make a reference to Messrs. William Palmer and Co., and to the Prime Minister, for explanation on that point.

I have, &c.

Fort-William,
17th October 1823.

(Signed) GEO. SWINTON,
Secretary to Government.

(Enclosure No. 20.)

To George Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

1. I have the honour to transmit copies of correspondence with Messrs. William Palmer and Co.

2. I beg to be instructed on the point of reference contained in the second paragraph of their letter, *i.e.*, as to whether or not it is the purpose of Government to prevent payments on the part of the Nizam's Minister, on account of the items rejected by the Governor-General in Council as objectionable. Such payments may be made by Rajah Chundoo Loll or not, according to his notion of influences at the time, and of their effects on his own interests.

3. The letter from Messrs. William Palmer and Co. does not appear to require any observations on my part: It is, for the most part, a repetition of representations which have been already submitted. The claims of Mr. William Palmer and his family on the Nizam's Government were urged and discussed last year, and there is nothing new in the statement now set forth.

I have, &c.

Hyderabad Residency,
9th September 1823.

(Signed) C. T. METCALFE,
Resident.

To Messrs. William Palmer and Co.

Letter from Resident at Hyderabad.

Gentlemen:

1. I am directed by the Governor-General in Council to intimate to you, that the bonus of eight lacs, with its accumulated interest, forming a part of your

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Letter from Resident at Hyderabad.

your account with the Nizam's Minister bearing interest at one and a half per cent. per mensem, and the charges on account of pensions and salaries to the Palmer family, with the interest thereon, forming part of your account with the Nizam's Minister bearing interest at two per cent. per mensem, cannot be recognized as forming a part of the debt which the British Government has undertaken to discharge, and that the British Government will not interest itself in any manner for the liquidation of those demands, nor can any payment be allowed in future on account of them.

2. The remaining balance of your account will be adjusted, on receiving from you the requisite calculations and statement.

3. The resolution regarding the allowances to the Palmer family embraces the period for which arrears have been claimed.

I have, &c.

Hyderabad Residency, 25th August 1823. (Signed) C. T. METCALFE, Resident.

Letter from Messrs. W. Palmer and Co.

To Sir C. T. Metcalfe, Bart., Resident, &c. &c. &c.

Sir:

We have the honour to acknowledge the receipt of your letter of 25th August, intimating to us that the bonus of eight lacs, and the charges on account of pensions and salaries to the Palmer family, with the interest thereon, forming part of our accounts with the Nizam's Minister, cannot be recognized as forming part of the debt which the British Government has undertaken to discharge, and that the British Government will not interest itself in any manner for the liquidation of those demands, nor can any payment be allowed in future on account of them.

As it is of vital importance to us to be accurately acquainted with the intentions of Government upon the subject of these charges, we solicit to be informed, whether we are to understand, by the last part of the first paragraph of your letter, that it is the purpose of Government to prevent any payments being made to us on those accounts.

We feel our incompetency to go fully into the question at present. We however beg to submit for your consideration, such views as have immediately occurred to us.

Should the Supreme Government be pleased to permit us to resort to the Minister's sense of justice towards us, we trust that he will be disposed to adjust the claims, the propriety of which he has admitted, by repeated signatures, year after year, to the accounts embracing these items, and by his written declaration authenticating the accounts, a copy of which we had the honour to submit to you, for the information of the Supreme Government, by our letter of 7th December 1822.

We are peculiarly unfortunate in the non-recognition of these claims by the Supreme Government. We were not aware that the payment of the salaries to the Palmer family, made on the Minister's exclusive arrangements, could be regarded in any other light, as far as the house was concerned, than as simple payments on drafts.

Mr. Palmer begs to observe, that a salary had been drawn by him eleven or twelve years prior to the formation of the first establishment, for the payment of which, under any impression of impropriety in regard to its being effected through the house, he would have had recourse to the same means as formerly, and his pay would have been drawn by separate assignments, in which case no entries of these payments would have appeared in the Minister's accounts with us; but this, he apprehends, might justly have exposed him to the imputation of concealment.

In fact, the admission of these items in our accounts was an accommodation to the Minister in regard to interest, from transferring a payment otherwise made quarterly to his debit at the end of the year.

Mr. Palmer hopes that consideration will be had for the circumstance, that he was ignorant of any form of recognition, or of any recognition of such salaries by

by the Supreme Government being necessary. The salaries were granted officially, by regular public documents from the Nizam's Government, and were necessarily known, in common with other public acts, to the Residents for the time being. He ventures to plead with submission, that the salaries which were continued for so long a period may be said to have been recognized in his own case particularly by the tacit concurrence of several successive Residents, and by that of the British Government itself.

In reference to the above, he begs to submit that, whilst employed by the Nizam's Government in a negociation with Rajah Muheeput Ram, he corresponded with the Resident, Captain Sydenham, by his express desire, under the orders of the then Minister, Meer Alum, and was subsequently employed by the same Resident as Persian Interpreter, with the charge of the Intelligence Department with the force under Colonel Montresor. In regard to the former service, he was given to understand by the Resident, Captain Sydenham, that his conduct was brought to the favourable notice of the Supreme Government.

For your further consideration, Mr. Palmer begs to submit to you, that since the formation of the house, he has been employed in a military capacity by the Nizam's Government, under the direction of the Resident, Mr. Russell; and on one occasion, in co-operating with the troops of the Company, his services were honoured with the thanks of the Governor-General, Lord Minto, which he presumes to urge, might be construed into an express recognition of his situation.

Mr. Palmer begs to be permitted to explain, that he has always considered the tenure of his service different from that of the European officers, who have been recently appointed, under the authority of the Resident, to the regular battalions and reformed horse. He was for a considerable time attached to the Nizam's durbar, his references and reports were immediately made to the Nizam's Government, his pay was received from it without the intervention of any other authority, and his duties were performed under the exclusive orders of the Minister. In this situation, he regarded himself as being in the service, on the same tenure with the native servants of the Nizam; and he has never, at any time, been taught, that circumstances had made any change in his position, or that, from the original tenure of his service, any recognition of his situation from the British Government was necessary to him.

In this situation, and reverting to the practice of the period at which Mr. Palmer first entered the service, when its infantry commands were chiefly occupied by European foreigners, with a purposed exclusion of the English, he cannot but hope, that the Supreme Government will be pleased to entitle him and his family to the benefit of not enforcing measures regarding them retrospectively, which he begs to affirm they are wholly unable to meet.

In the present conjuncture, we have reason to apprehend every manner of distress and anxiety, although we should be permitted to resort to the Minister's unbiassed opinions; but our condition will be deplorable indeed, if we be either interdicted from resorting to him, or if the Minister be taught that the displeasure of the Supreme Government will attend his compliance with our request of an adjustment of the items referred to. Not having been prepared for such an event, neither the parties nor the house can possibly meet it, and ruin must be the inevitable consequence.

We hope that the Government, in its lenity, will be disposed to avert from us so heavy a dispensation. Whatever consideration may have been given to the acts of the house, or of its members individually, we respectfully hope that Government will not inflict an injury, overwhelming to ourselves, and ruinous to the interests of those persons who have confided in us.

We have, &c.

(Signed) W. PALMER and Co.

Hyderabad,
8th September 1823.

To

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Letter from Resident at Hyderabad.

To Messrs. William Palmer and Co.

Gentlemen:

1. I have the honour to acknowledge the receipt of your letter yesterday.

2. After having obtained the commands of the Right Honourable the Governor-General in Council thereon, I will communicate to you the result.

3. It is necessary, however, to apprize you, that I am not authorized to pay further interest on such portion of the remaining balance of your account as I am empowered to discharge, according to the notification already conveyed to you.

I have, &c.

Hyderabad Residency,
9th September 1823.

(Signed) C. T. METCALFE,
Resident.

(Enclosure No. 21.)

Letter from Secretary to Government.

To Sir C. T. Metcalfe, Bart., Resident at Hyderabad.

Sir:

1. I am directed to acknowledge the receipt of your despatch of the 9th ultimo, submitting copies of a correspondence with the house of William Palmer, and Co.

2. The tenor of your several communications to Messrs. William Palmer and Co. is entirely approved.

3. With respect to the point of reference in the second paragraph of the letter from Messrs. William Palmer and Co. to your address, on which you solicit the instructions of Government, I am directed to state to you, that the observations of the Governor-General in Council on the character of the bonus and the allowances to the Palmer family, communicated to you in former instructions, supersede the necessity of any further remarks on the present occasion, nothing now advanced by Messrs. William Palmer and Co. being considered, in any respect, to invalidate the grounds of the opinion already formed.

4. The conduct of Chundoo Loll, with regard both to the bonus and to the allowances assigned to the members of the house and their families, has been pronounced to be extremely reprehensible, and for which he is equally accountable to his Sovereign and to the British Government, whom he has grossly deceived.

5. You will be pleased to acquaint Messrs. William Palmer and Co. that, under the above circumstances, the British Government never could sanction, by its countenance, so shameful and criminal a misappropriation by the Minister of the public funds, as the liquidation of the demands of the house on account of the bonus and arrears of allowances, and that, in the event of Chundoo Loll's taking upon himself to satisfy those demands from the coffers of the State, you are authorized and instructed to make a representation to the Nizam himself, remonstrating against such misapplication of the public money. You will, at the same time, warn Chundoo Loll of the consequences of his making such payments, in opposition to the declared opinion of the British Government, regarding the character of both of those transactions.

6. The Governor-General in Council will always be ready to pay attention to any representations on the part of Messrs. William Palmer and Co., in explanation of the justice of the demands in question, into the merits of which they profess their incompetency to enter fully at the present moment. It remains for them, therefore, still to satisfy the British Government, that the bonus was a fair and legitimate transaction under any circumstances, or even on their own statement, that it was allowed by Chundoo Loll for prompt cash payments, the proof of which it appears the Minister has yet failed to produce. It also remains for them to shew, that the extravagant salaries or pensions to the several members of the house and their children, for services performed, or to be performed, deserve to be considered in any other light than as the plunder of the Nizam's revenues, in collusion with Chundoo Loll, to whose immediate necessities, for the gratification and support of his personal interests, they administered, receiving

receiving in return ruinous assignments on the country, which through their influence with him they were enabled to realize.

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7. With regard to the hope expressed by Messrs. William Palmer and Co. in the concluding paragraph of their letter to your address, that the Government will not inflict an injury overwhelming to themselves, and ruinous to the interests of those persons who have confided in them, it is sufficient to observe, that any consequences resulting from the detection of a fraudulent transaction like that of the bonus, or from the stoppage of unmerited salaries and pensions, acquired through improper influence with the Minister, cannot, with any shew of justice, be denominated an injury inflicted on the party engaged in such fraudulent transactions. The British Government cannot be held answerable for the losses to which any individuals may be exposed, who have placed their confidence in a house, whose capital, it may be said, mainly consisted of influence over the mind of a corrupt and unprincipled Minister, and whose very existence appears to depend on its being permitted to carry on, without check or controul, pecuniary dealings with the Nizam's Government, ruinous to every interest but its own.

I have, &c.

Fort-William,
17th October 1823.

(Signed) GEO. SWINTON,
Secretary to Government.

(Enclosure No. 22.)

To George Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

1. In obedience to the commands conveyed in your despatch of the 22d July, I have communicated to Rajah Chundoo Loll, on the part of the British Government, such portions of the contents of the second, third, fourth, and fifth paragraphs of that despatch as relate to him.

2. I availed myself of the aid of my First Assistant, Lieutenant Barnett, in that communication, being myself confined by indisposition.

3. Lieutenant Barnett reports, that the Minister evinced considerable alarm at the communication, which he chooses to attribute exclusively to my resentment, in consequence of his participation in the intrigues of Messrs. William Palmer and Co. last year, although pains have been taken to explain to him the grounds of the dissatisfaction of the British Government.

4. His defence consisted of the same assertions respecting the past which have before been submitted, and was accompanied by his usual assurances and protestations for the future. It is embodied in the enclosed copy and translation of a note addressed to Lieutenant Barnett.

5. I need not occupy much of your time by commenting on this document. In its contents generally you will recognize the stale misrepresentations already more than once advanced. The statement respecting the bonus is in some degree new, and different from that which the Minister before furnished on the same subject. The attempt to connect the gratuitous allowances to Mr. William Palmer, his brother, and infant children, with the former entertainment of that gentleman in the Nizam's service, putting out of sight similar allowances to other partners of the house of William Palmer and Co., scarcely requires remark; but it savours of the continuance of combination between the parties (a combination which must virtually exist, as long as the Minister considers their interest as any how united) and this impression is the unavoidable consequence of past transactions, and of finding himself involved in the same blame with the other party, as implicated in the same misdeeds. The credit assumed by the Minister for his conduct regarding the redemption of the peshcush is doubly curious and unaccountable, both because the proposal of that measure actually came from him, and because the arrangement is not yet settled; on which point I shall have to report separately. With respect to his assurances for the future, I have only to observe, that none of those made heretofore have been adhered to.

6. The merits of Chundoo Loll consist in his ready attention to the wishes of the British Government: and there is no doubt that there was a time, when his

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Letter from Resident at Hyderabad.

services were more valuable than they can be considered in the present state of India. Although, of course, his subserviency was with a view to his own interests, and no more than a due payment for that protection which enabled him to acquire exclusive domination over his sovereign's territories, I do not, on that account, wish to detract from the pretensions founded on that conduct; for I know of no tie, but that of immediate self-interest, on which we can reckon for the adherence of any native of India.

7. The demerits of Chundoo Loll consist in the gross abuse of the unlimited and irresistible power obtained by our support, in the most vicious mal-administration, in a system of extortion which has ruined the country and destroyed all confidence in the possession of property of any kind, and in a shameful waste of the public money on worthless persons, solely for the promotion of his own views and interests, and in no instance more disgracefully than in feeding the cupidity of Messrs. William Palmer and Co.

8. Such appear to me to be the real merits and demerits of this Minister: and we should ill, I think, perform our duty, as the protecting ally of the Nizam, if, while we secure the Minister in the exercise of his power, we did not shield both the Prince and the people against the destructive effects of its abuse.

I have, &c.

Hyderabad Residency,
11th September 1823.

(Signed) C. T. Metcalfe,
Resident.

Letter from Rajah Chundoo Loll.

Translation *of a Letter from Rajah Chundoo Loll to Lieutenant Barnett.*

No complaint of your friend has ever been made to the Presidency; but owing to the gentlemen of the Kothee (Messrs. William Palmer and Co.), I have been brought into trouble. The communications from the Supreme Government on these subjects caused much uneasiness and perturbation. I had formerly discontinued all dealings with the Kothee; but, in consequence of the war, and of the necessity of remitting regularly the pay of the troops at Aurungabad and elsewhere, under British officers, the dealings with the firm were renewed, with the concurrence of the functionaries of the British Government. Thus the balance due on the Aurungabad account, and that of the Rissalah of Raee Boochurmull, amounted to twenty-eight lacs of rupees, more or less; and, moreover the Sahoos, to whom debts had been contracted during the war, became urgent for payment. At this period injunctions came from the Supreme Government for the reduction of troops. Such injunctions being considered by me as taking place of all other considerations, I made a reduction of the troops, to the amount of twenty-five lacs of rupees yearly. As the payment of the above-mentioned people became necessary, added to which the gentlemen of the firm became urgent for the liquidation of their former debt, Sahoos from all quarters also being clamorous for the amount of their claims, seeing no remedy, a request was made for sixty lacs of rupees for the liquidation of the old debt to the firm, and to other money dealers, and for the payment of arrears of the troops discharged and retained. A copy of the letter addressed to Mr. Russell, for the purpose of settling these matters, is enclosed.* If I have not in this letter distinctly explained the particulars of the old debt to the firm and to other money-dealers, as well as the arrears due to the troops retained and discharged, or, if I have not made a reduction in the troops and applied the money to other purposes, then certainly am I in fault. But since I have distinctly explained the real state of things, if thence (*i. e.* from the Residency,) a particular relation has not been forwarded to the Supreme Government, what power over this have I, who had no separate mode of communication with the Presidency, that I should have explained these particulars. The former debt to the gentlemen of the firm and other money-dealers was caused by the expenses of the war. For instance, nearly sixteen lacs of rupees were paid through British officers for the purchase of warlike stores alone, in addition to which the expense of the cavalry and force at Bolaurum, and the charge for interest and exchange for the monthly remittance of pay to the troops at Aurungabad and elsewhere, are neither concealed nor hidden.

During

* This has been twice before submitted; once by Mr. Russell, and once by the present Resident.

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Letter from Rajah Chundoo Loll.

During the war, I was at all times obedient to the injunctions received from the Presidency, without reference to the expense; and what I have performed in my own person will have been made manifest by the reports which former Residents have made to the Presidency. Unavoidable expenses have caused debt. Formerly the Government had little debt: the evil of interest has unavoidably caused the debt to accumulate to the present amount.

By the grace of God, at the Presidency all matters are properly examined and inquired into: let this matter be well sifted. I was constrained to contract a debt. On one side I was dunned by the gentlemen of the firm and other money-dealers, besides the demands of arrears of troops retained and discharged, and advances to the cultivators also became necessary. All these difficulties coming on me at one time, and seeing no other resource, I applied to the gentlemen of the firm for a sum of money. When the time of payment arrived, objections were made by the members of the firm, unless a bonus of eight lacs of rupees were given. In the event of my agreeing to this proposition, and not otherwise, they offered (after a settlement of former balances) to make the advance required. Although great loss to the State was evident, yet not being able to procure a supply of money elsewhere, and the people having become so clamourous as to be on the point of mutiny, seeing no remedy, I agreed to grant the before-mentioned sum.

When the Resident first arrived, I informed him of the grant of the bonus. If it had been given secretly, as a bribe, why should I have mentioned the circumstance?

Now that the accounts of Messrs. William Palmer and Co. have been examined by the Resident, let those items which appear to be doubtful, and those charges which are contrary to propriety and usage, after due consideration, be disallowed. Respecting Mr. William Palmer, it is said that I gave him a bribe, in the shape of a monthly allowance, thereby causing loss to the Government. The above-mentioned gentleman did not enter the service during my administration. He was entertained in the time of Colonel Kirkpatrick, the late Nizam, and Aristoojah, and received for the pay of himself and troop a monthly sum of nearly thirteen thousand rupees, until the time of Meer Alum; and I reduced the allowance to himself and followers to one half. Lately, when injunctions were received from the Supreme Government for his discharge, they were instantly attended to, and all dealings with him ceased.

With regard to what is said respecting my want of exertion for the prosperity of the country, the circumstances of which also are not hidden, several districts have been waste since the time of Aristoojah and Rajundur; besides which, the incursions of the Pindarries, the Naicks, and the Zemindars, the passing of the armies of both States through the country, famine, the cholera, and dearness of grain, have caused the ruin of several districts.

Now that, by the blessing of God, the country has been relieved from these calamities, and that leases have been granted in all the districts at a reduced rate, a prospect of prosperity arises. No more than the amount of the leases given by the above-mentioned gentleman (the Resident) has been or will be taken; and, agreeably to his recommendation, the sum of twelve or thirteen lacs of rupees has been permitted to lay over for future realization, in those places incapable of paying their amount of assessment. At the desire of the Resident, I instantly caused the attendance of the cultivators, without the orders of his Highness; and, as requested, accounts of receipts and disbursements, and of jaggeerdars, have been furnished. All intimations I have without hesitation attended to, and continue to attend to, and in obedience I have not been wanting. As required, I have agreed to the redemption of the peshcush in payment of the debt, and have represented the matter to his Highness. Moreover, I have intimated to his Highness, that the ten lacs of rupees yearly gained by the Government will be regularly paid into his Highness's Treasury, besides the expenses of troops, cattle, &c.; added to which, all increase which may take place in the revenue will be paid into the Treasury, in like manner: this I have distinctly explained. I have placed before you the whole of my conduct: let it receive due consideration. From the time of the late Colonel Kirkpatrick and Captain Sydenham to that of Mr. Russell, a period of nearly twenty years, I have

given

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Letter from Rajah Chundoo Loll.

given satisfaction. The above-mentioned gentlemen will assuredly have placed my good and bad qualities on the records: let reference be made to them.

I am a dependent of the British Government, whose officers placed me in my present situation, else what power to support such a burthen has a feeble ant? I now swear that I will be obedient to the wishes of the Resident, and exert myself for the interest of both Governments, and that I will strictly adhere to this declaration.

I beg that you will submit this letter to the Resident, who, as it is an answer to the orders of the Supreme Government, will, I hope, forward a copy of it to the Presidency.

(Translated.)

(Signed) H. L. Barnett,
Assistant-Resident.

Letter from Secretary to Government.

(Enclosure No. 23.)

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Sir:

1. I am directed to acknowledge the receipt of your despatch of the 11th ultimo, reporting your proceedings, under the instructions of the 22d July last, relative to the conduct of Rajah Chundoo Loll.

2. The Governor-General in Council is concerned to learn the cause which prevented you from personally communicating with Rajah Chundoo Loll on the subject of those instructions, from which his Lordship in Council had anticipated considerable advantage. A direct communication between the Minister and yourself would naturally have carried more weight and solemnity with it, than one made through a subordinate officer, and an opportunity would have been afforded you for enlarging on the topics therein discussed, and of producing a more decisive impression on the Minister's mind with regard to the predicament in which he has now placed himself, by the identification of his interests with those of Messrs. Palmer and Co.

3. The Governor-General in Council considers it superfluous to enter into any review of the Minister's defence. So far from acknowledging his faults, and throwing himself on the indulgence and consideration of the British Government, with assurances of a more faithful discharge of his duties in future, he has endeavoured to justify the loan, and has claimed merit for the very acts for which he has been told that he has forfeited the countenance and support of the British Government.

4. In the justice of the general reflections and conclusions submitted in your despatch, the Governor-General in Council is disposed entirely to concur. The merits and demerits of Chundoo Loll, as therein set forth, are fairly stated, and his Lordship in Council feels all the force of the consideration, that while we continue to exercise an interference in the internal affairs of the Nizam's Government, from which, with reference to the peculiar character of the sovereign himself, we could not with safety to the common interests of both states withdraw, it is incumbent on us to hold the Minister accountable to us for the acts of his administration.

5. It becomes, therefore, a subject for serious consideration, whether, under all the circumstances of Rajah Chundoo Loll's misconduct, we are not bound to recommend to the Nizam the removal of a Minister, in whom we can no longer confide for the faithful discharge of those high and important functions, which he has hitherto exercised with such despotic sway. Were the Governor-General in Council satisfied that a change of ministry would be attended with advantage to the interests of the sovereign, and the happiness and welfare of his subjects, the conduct of Chundoo Loll has been such, that his Lordship in Council would not hesitate to authorize your soliciting an audience of his Highness, and submitting the real state of the case for his consideration. It is true, that we have hitherto supported Chundoo Loll in his administration, without much deference to the will or pleasure of his sovereign, and have been prepared to maintain him in power even against his Highness's inclination. That determination, however, was founded on the assumption, that under our guidance and protection, Chundoo Loll was willing, and would be able to effect those salutary reforms in the State, which he had pledged himself to accomplish. Chundoo Loll having utterly failed to redeem that pledge, the

question

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Letter from Secretary to Government.

question now resolves itself into one of expedience, namely, whether the objects for which we promised our support to Chundoo Loll are still more likely to be obtained through his instrumentality, than by the nomination of another Minister to fill his place.

6. On this point the Governor-General in Council is not prepared to pronounce a final opinion, so much depending on the character and qualifications of the individual who might be selected in the room of Chundoo Loll.

7. The tenor of the observations contained in your despatch of the 31st August last, in which the subject now under consideration has been so ably discussed, affords but little room to hope, that the Government of his Highness would benefit by a change of ministry; while there is so much reason to fear, that with as little claims to integrity of conduct, the successor of Chundoo Loll would come into office without the talent and experience which the present Minister unquestionably possesses. At the period, however, in which your despatch above referred to was written, the subject was discussed rather in a theoretical than a practical point of view. His Lordship in Council is now desirous of receiving a full and unreserved communication of your sentiments, on the expediency, or otherwise, of proposing the removal of Chundoo Loll, or at least of making such a representation to the Nizam himself, as might lead his Highness to adopt that measure with our concurrence. One advantage of a direct communication with the Nizam on the state of affairs would be, that we should thus shew to the Minister our determination no longer to permit the abuse which he had hitherto made of his unbounded power; and we should thus, it is conceived, be able to effect, by working on his fears, what we have hitherto failed to accomplish by supporting him against those who sought his downfall. On the other hand, his Lordship in Council is not insensible to the inconvenience which might result from a direct intercourse with the Nizam, by encouraging all sorts of intrigues against Chundoo Loll. It is probable, also, that, possessed as the Minister is of such talents and acquaintance with the whole secrets and affairs of the Government, more injury might be sustained from Chundoo Loll's hostility and intrigues when out of office, than are experienced from his malversation if retained in power, subject, in some degree, to our supervision and controul.

8. It is, indeed, to the due exercise of such supervision and controul, coupled with the liberation of the Minister from the thraldom in which it may be fair to suppose he has been held by the baneful influence of the house of William Palmer and Co., that the Governor-General in Council looks for the possible accomplishment of a salutary change in the system of Chundoo Loll's administration; and his Lordship in Council is not yet willing to relinquish the hope, that the removal of the principal cause and support of Chundoo Loll's abuse of his power, and the operation, at the same time, of a watchful superintendance on the part of the Resident, may lead to a wholesome and beneficial application of the talents which the Minister is known to possess.

9. It is not unlikely, also, that the Nizam, in his systematic opposition to whatever measure he believes to originate with the British Government, would object to remove Chundoo Loll, were we to propose any arrangement of that nature above alluded to. But if, after being apprized by us of Chundoo Loll's misconduct, his Highness should determine to retain him in office, we should, at all events, be exonerated from the responsibility we have hitherto incurred, of supporting a Minister whose misdeeds we had concealed from his Highness.

10. In every point of view, it appears desirable that you should endeavour to cultivate a good understanding with his Highness, and to acquire his confidence, for which purpose his Lordship in Council will approve of your seeking such opportunities, should you be of opinion that any good is likely to result from the attempt.

I have, &c.

(Signed) G. Swinton,
Secretary to Government.

Fort-William,
17th October 1823.

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Letter from Resident at Hyderabad.

(Enclosure No. 24.)

To George Swinton, Esq., Secretary to Government.

Sir:

1. I have the honour to forward copies of a letter from Messrs. William Palmer and Co. and of my reply.

2. Their predicament, as represented in the second paragraph of their letter, has been already submitted for orders.

3. The merit claimed in the fourth paragraph, on account of the introduction of British manufactures into the Nizam's dominions, I believe to be as unfounded, as any other of the groundless and ridiculous pretensions which they have from time to time set up, when it has suited their purpose to represent themselves as benefactors of the Nizam's country. British manufactures have found their way to the Nizam's territories, as to all other parts of India. It has never struck me, that Messrs. William Palmer and Co. have been conspicuous in any exertions to introduce them, but it is known to me, that even one of the partners of that concern has supplied himself with the cotton manufacture of England from a native merchant, in preference to his own firm, because it was procurable from native merchants on cheaper terms, which would argue that the native merchants have better claims to the credit of introducing British manufactures than Messrs. William Palmer and Co. Their assumed claim on this point, appears to me to be downright nonsense. It would be absurd to suppose that British manufactures would have waited for the call of Messrs. William Palmer and Co., or that articles which natives prize and use at Calcutta, and Madras and Bombay, would not be prized and used at Hyderabad, or that native merchants are so insensible to profit as to reject an advantageous trade. I remember at Delhi, when British Chintzes found their way to India in abundance, so eager were the native merchants to engage in the traffic, that they brought them up at a great expense from Calcutta by Dawk Bangy; and so eager were the native community to purchase, that British Chintzes sold in the palace at six rupees per yard. I have no doubt that British manufactures would have been introduced into the Nizam's territories as well, if not better, without than with Messrs. William Palmer and Co. But admitting the pretension which they have advanced in its fullest extent, it is at least novel for merchants to claim merit, because they have studied their own profit, and entered into a traffic from which they expected and have derived advantage.

I have, &c.

Hyderabad Residency,
13th September 1823.

(Signed) C. T. Metcalfe,
Resident.

Letter from Messrs. W. Palmer and Co.

To Sir C. T. Metcalfe, Bart., Resident, &c. &c. &c. Bolawrum.

Sir:

1. We have the honour to acknowledge the receipt of your letter of the 25th August, communicating to us that we are no longer to consider ourselves under the protection of the British Government.

2. We deeply lament that any circumstance should have led to such a result, from which we cannot but apprehend the very worst consequences; for by being deprived of the protection of the British, and restricted by your letter of the 10th February from all intercourse with the Nizam's Government, we are literally placed in the situation of outlaws, subject to every manner of injury, fraud, and imposition in our dealings, without the right of appeal for justice to any known tribunal. The immediate tendency of this measure, connected with the restriction, will be to deprive us of the means of realizing our claims, which, from the magnitude of our transactions, embracing a capital, even now, of more than sixty lacs of rupees, involves numerous interests; and we respectfully plead, that the question, from its bearings, should be deemed rather of a public nature, than viewed as a measure confined in its operations solely to the interests of the house. We beg to call your attention to the circumstance, that there is no court of justice under this Government, and that our appeals for redress could be made to the Minister only.

3. Having

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Letter from Messrs. W. Palmer and Co.

3. Having submitted these considerations to you, we solicit to be informed, whether you consider the restriction alluded to to be rescinded ; for unless it be so, we shall be placed in the unheard-of situation, of existing commercially in a community without the right of appeal, in any form, to its only known tribunal of justice.

4. We hope that the Supreme Government, from the urgency of our case, may be still induced to revise this order. We would venture to plead, that the benefits derived from our establishment, in the introduction and circulation of British manufactures in Central India, have been considerable. The house was the means of bringing European manufactures, to any extent, into this part of the country, and its advantages have been principally disseminated among British capitalists. The rise of the cotton manufactures of Britain amongst the native inhabitants of this country, was introduced solely through our agency.

5. We also submit to you with respectful confidence, that our obedience to the orders of Government, communicated by you, has been implicit and unqualified.

We have, &c.

Hyderabad,
9th September 1823.

(Signed) W. PALMER and Co.

Letter from Resident at Hyderabad.

To Messrs. William Palmer and Co.

Gentlemen :

1. I have had the honour of receiving your letter of the 9th instant.

2. It shall be submitted for the consideration of the Right Honourable the Governor-General in Council, and the result communicated to you.

3. The peculiarity of your predicament, in a country where there is no tribunal of justice, if you be deprived of intercourse with the Nizam's Minister, and also of the intervention of the British Resident, has already been reported for the consideration and orders of Government.

4. In the mean time, I have to inform you, in reply to your inquiry on that point, that the prohibition of your intercourse with the Nizam's Minister has not been rescinded, and is still in full force.

I have, &c.

Hyderabad Residency,
13th September 1823.

(Signed) C. T. METCALFE,
Resident.

(Enclosure No. 25.)

Letter from Secretary to Government.

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Sir :

1. I am directed to acknowledge the receipt of a despatch from you, dated 13th ultimo, submitting a copy of a letter from Messrs. William Palmer and Co., in which they solicit a revision of the orders declaring them to have forfeited the countenance and protection of the British Government.

2. The Governor-General in Council is unable to discern, in any explanation as yet afforded by Messrs. William Palmer and Co. of those proceedings, on their part, which led to the order complained of, any ground for its revision ; while much has since appeared to his Lordship in Council, to confirm the justice and propriety of that resolution. If, as William Palmer and Co. assert, there be no redress to be expected from the tribunal of justice at Hyderabad, but through the Minister, his Lordship in Council can only regret that so defective a system, and so liable to abuse, should still prevail. It must always be remembered however, that Messrs. William Palmer and Co. engaged in commercial and banking concerns in the Nizam's country with a full knowledge of the risks they incurred. Hence it is to be presumed, that in persevering in those concerns for a series of years, they must have satisfied themselves that the chances of gain predominated over the hazard of loss, since they could never have calculated on the countenance, or support, of the British Government in transactions carried on

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Letter from Secretary to Government.

on without its sanction, and which, when known, could not stand the test of investigation.

3. Precluded as this Government is by the positive orders of the Honourable the Court of Directors, from interfering, in any way whatever, its name, authority, influence, or good offices of any sort, for the furtherance of any demands which the house of William Palmer and Co. may bring forward, and bound in duty to our ally to prevent, as far as may be practicable, any abuse of power on the part of his Minister, no course was open to this Government, on its discovery of such abuse, fraud, and collusion with the house, but to adopt the measure which it is now the object of Messrs. William Palmer and Co. to induce it to abandon. While that firm continues to be placed on the same footing with all other British subjects in the Nizam's dominions, and is free to present, through the British Resident, to the Government of his Highness, any appeal for redress of its demands, it cannot with justice complain of the restriction on its direct intercourse with the Nizam's Government: neither, under such circumstances, is it warranted in the assertion, that the operation of the orders in question is to make them outlaws, since the same channel is open to them that is free to all other British subjects. Until they shew that any just and legal demand of theirs has been rejected by the Minister when submitted to him through the prescribed channel of the British Resident, they are not justified in asserting, that the door of redress is closed against them.

4. The futility of the claim of Messrs. William Palmer and Co. to the favourable consideration of the British Government, on the ground of the introduction into the Nizam's dominions of articles of British manufacture, is too apparent to require serious advertence. But admitting it in its fullest extent, is the merit of introducing a profitable article of commerce to be accepted as an adequate atonement for those proceedings on their part, which have called forth the unqualified reprobation of the Governor-General in Council, and of which they have as yet offered no satisfactory explanation? It is natural, his Lordship in Council observes, that they should wish to shift from themselves, the blame of any injury which the restriction imposed on their unprincipled pecuniary dealings with the Government of the Nizam may entail on those who have deposited their money in their hands: but can it be maintained, with any plea of justice, that on such an account, the British Government is bound to support the credit of a house, which, by its own voluntary acts, has forfeited all claims to its consideration? On the contrary, it is clearly the duty of the British Government, be the consequences what they may to the house of William Palmer and Co., to watch over the interests of its ally, the Nizam, and to protect the people of his country from the extortion and oppression of an unprincipled Minister, acting in collusion with a party, whose sole object has been to enrich themselves at the expense of the State. Desirous as the British Government is to guard against the recurrence of such evils, and to insure the laudable objects which it has in view, it has nevertheless imposed no shackles on the house of William Palmer and Co., in the licit exercise of their commercial pursuits, interdicting them only from dealings with the Government of his Highness the Nizam and from direct intercourse with the Ministers, and especially Chundoo Loll, over whom they exercised so baneful an influence.

I have, &c.

Fort-William,
17th October 1823.

(Signed) GEO. SWINTON,
Secretary to Government.

(Enclosure No. 26.)

To George Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

1. I omitted to report in my letter of the 11th instant, that Rajah Chundoo Loll had engaged to send in a statement of sums actually received from Messrs. William Palmer and Co. on account of the pretended Sixty-Lac Loan, but, though since applied to on the subject, he has not yet redeemed that pledge; and as, in defending himself, he dwells on the circumstance of his having avowed, that the payment of the old demands of that house was one of the principal

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Letter from Resident at Hyderabad.

principal objects of that transaction, my conviction is rather confirmed than shaken, that the whole of that proceeding was a mockery and fraud.

2. Messrs. William Palmer and Co. have pretended, as before reported, that they considered the transfer of the old balance of above twenty lacs in the Berar Suwar account to the feigned sixty-lac loan, as equivalent to a money payment on their part. Absurd as it is to presume to describe a transfer of old debt as equivalent to an actual money payment, for the purposes set forth in their artful proposals regarding that fictitious loan, they support this assertion by a falsehood, alleging, that assets of the Nizam's Government were returned to the same amount, meaning, of course, assignments on the revenue. I never gave credit to this assertion; and the Minister denies that they ever returned any assignments at any time, excepting such as they could not realize, and these only for the purpose of having them exchanged for others more substantial.

3. I was disposed, not however without considerable hesitation, to allow credit to Messrs. William Palmer and Co. for the payment of Rupees 4,25,579 to Noor-ool Omra for the discharge of troops. The distrust which I could not help feeling on that point, from the character of the general transactions of Messrs. William Palmer and Co., is now considerably increased. Rajah Chundoo Loll professes ignorance, as to whether the sum was, or was not, actually paid to Noor-ool Omra; and if it had been *bonâ fide* paid in cash, the Minister could not have been ignorant of so notable a fact. I observe, also, that in the account rendered of that item by the Rajah last year, it is stated to have been for the payment of Noor-ool Omra's creditors, as well as for arrears to troops: from all which I entertain a strong belief, that a great part, if not the whole of that sum, was merely a transfer of an old balance of debt existing against Noor-ool Omra, from his account to that of the State; and that, like every other part of that fraudulent transaction, the mock sixty-lac loan, it was chiefly, if not exclusively, for the benefit of Messrs. William Palmer and Co.

I have, &c.

Hyderabad Residency,
13th September 1823.

(Signed) C. T. METCALFE,
Resident.

(Enclosure No. 27.)

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Letter from Secretary to Government.

Sir:

1. I am directed to acknowledge the receipt of your despatch of the 13th instant, relative to Chundoo Loll's having failed to produce the statement which he engaged to furnish, of the sums actually received from Messrs. William Palmer and Co. on account of the sixty-lac loan.

2. The defence now attempted to be set up by Chundoo Loll, that the payment of the old demands of the house was one of the principal objects of the loan, is wholly undeserving of notice, otherwise than as affording an additional proof, if any were wanting, of the deceptious character of that transaction, and of his deep implication in the fraud. It may be asked, merely in refutation of such an assertion, would the British Government have consented to sanction a loan of sixty lacs of rupees, the principal, if not the exclusive object of which was, to discharge the unsanctioned balance of the very house with which such loan was to be negociated? and would Chundoo Loll, or Messrs. Palmer and Co., have avowed at the time, that such was the purpose for which the former applied to them for pecuniary aid? It is true that, in the notes from Chundoo Loll to the late Resident and Messrs. William Palmer and Co., submitted in Mr. Russell's letter of the 19th May 1820, recommending the loan in question, allusion is made, among other matters, to the former debts to the house; but in such a manner as was evidently designed to avoid particular notice, while the objects of public interest were prominently brought forward. There is reason to lament now, that inquiry was not made into the nature and amount of those debts to the Soucars and the house of William Palmer and Co.; but when it is considered, that the statement of the proposed appropriation of the funds to be raised by the loan exhibited so many important retrenchments and reforms to be accomplished, it cannot be wondered, that the apparently inferior objects of the loan were not taken into

 account,

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Letter from Secretary to Government.

account, as being, of course, contingent and dependent on the due fulfilment of those of primary consequence.

3. The fact reported in the third paragraph of your letter, regarding the pretended payment of Rupees 4,25,579 to Noor-ool Omra for the discharge of troops, is considered to be consistent only with the whole character of the proceedings of Chundoo Loll and Messrs. William Palmer and Co. with regard to the loan in question, and to require no other remark.

I have, &c.

Fort-William,
17th October 1823.

(Signed) G. SWINTON,
Secretary to Government.

(Enclosure No. 28.)

Letter from Resident at Hyderabad.

To George Swinton, Esq., Secretary to Government.

Sir:

1. In conformity to the instructions contained in the third paragraph of your letter of the 20th June,* I made the requisite communication to Rajah Chundoo Loll.

2. The Minister declared his readiness to abide by the decision of the Governor-General in Council, as to the mode in which the annual payment of Rupees 1,20,000, due to us from the Nizam's Government, should be redeemed.

3. But on being apprized that a supplemental engagement, on the part of his Highness the Nizam, ceding territory in lieu of that payment, would be necessary if that mode of redemption should be preferred, the Minister replied, that in that case the Rupees 1,20,000 per annum must be paid in money, as he was quite sure that the Nizam would be exasperated at any further application for cession of territory.

4. On being reminded, that he had engaged to abide by the choice of the British Government as to the mode of redeeming the annual payment, he observed, that he had entered into that agreement, without adverting to the possibility of the necessity of any alteration in the last Treaty, in other words, of any application to the Nizam.

5. On being pressed to point out how he would effect a money redemption of the annual payment, if this mode should prove acceptable to the Governor-General in Council, the Minister acknowledged that he saw no prospect of accomplishing that object, and reverted to the project of territorial cession, for which he undertook to obtain the Nizam's consent, if allowed time for that purpose.

6. These particulars, related in the order in which they occurred, evince the extraordinary degree of power usurped by the Minister, and the confidence with which he exercises it under our protection; for it is evident that he would have ceded his master's territory on his own authority without scruple, and that the only obstacle to the arrangement was our respect for the rights of his Sovereign, and the due forms of public transactions. It is clear that he would have made the cession, and concealed it from his Prince; and if ever called on to account for it, would doubtless have deceived the Nizam by some misrepresentation of the nature of the affair.

7. He now professes only to require time for the purpose of obtaining the Nizam's assent. If not further urged on this subject, he will content himself with this profession, and we shall hear no more of the cession: if urged, he will in the end feel himself compelled to obtain the Nizam's acquiescence, which he will effect by working on the Prince's fears, and persuading him to yield on this point, in order to avoid greater demands on our part, with which he will threaten him.

8. But every cession so obtained, must add to the disgust which the Nizam is supposed to entertain towards us. This feeling is continually roused and influenced by reports of evil designs on our part. He appears to have been the slave

to

* Vide Enclosure No. 4, page 562.

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Letter from Resident at Hyderabad.

to alarms excited by such representations, from the time of his accession to the musnud; and one of the chief instruments by which he has been ruled and overawed by the several Ministers who have governed under our protection during his reign, I believe to have been a notion industriously instilled and fostered by themselves, that their influence with our Government warded off designs against his country, which we should otherwise have carried into execution.

9. He lives in constant dread of encroachment, and would be much alarmed by any new demand for territorial cession. He is not sensible of the advantages which he derives from the late treaty, and does not give us credit for any liberality in that arrangement. When it was concluded, he was anxious to ascertain that it comprized all our demands, and that nothing further was to be required of him; and having ascertained those points, he seemed to content himself with the solace that it was no worse. He would now consider a demand for a cession of territory, in lieu of the annual payment stipulated, as little less than a breach of treaty, and his consent, I believe, could only be obtained by the objectionable means above described.

10. Under these circumstances, as I am desired, in your despatch before alluded to, to report my sentiments on the subject, I do not hesitate to submit my opinion, that the difference between a cash payment of Rupees 1,20,000 per annum, and a territorial cession of the same value, is not of sufficient importance to justify the irritation and alarm which the demand would excite in the Nizam's mind, whom it appears to me to be very desirable, though certainly very difficult, to soothe and tranquillize. If, however, the Right Honourable the Governor-General in Council should deem the purpose of sufficient consequence to outweigh such objections, I have no doubt that, in time, it may be accomplished.

11. I cannot refrain from adverting to the characteristic traits displayed in Rajah Chundoo Loll's conduct on this occasion. He begins by an offer of either a territorial cession or a cash payment, to redeem the Rupees 1,20,000 annuity: he next promises to abide by the choice of the British Government, as to either mode: on being required to fulfil his engagement, he describes the territorial cession as impracticable, if the assent of the Nizam be requisite: he then alleges, that the redemption by cash is also impossible; and he finishes, by promising to effect the first of these impossibilities if allowed time for the purpose.

12. My own opinion is, that it is advisable to leave the treaty untouched, avoiding any infringement on its articles, and to embrace any opportunity that may occur for the redemption of the annual obligation, either by cash payment or by territorial cession, with the real and cheerful assent of the Nizam; though of such an opportunity, either way, I do not, I confess, perceive any immediate prospect.

I have, &c.

Hyderabad Residency,
24th September 1823.

(Signed) C. T. METCALFE,
Resident.

(Enclosure No. 29)

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Letter from Secretary to Government.

Sir:

1. I am directed to acknowledge the receipt of your despatch of the 24th ultimo, reporting your proceedings under the instructions conveyed to you in the third paragraph of my letter of the 20th June last.

2. The evasive conduct of Chundoo Loll, regarding the proposed redemption of the annual payment of Rupees 1,20,000 due to us from the Nizam's Government, has been fully and ably exposed in your despatch. The Governor-General in Council agrees with you in opinion, that it would be unadvisable to irritate and alarm the Nizam by any demand for further territorial cession at the present moment, and approves therefore of the procedure suggested in the concluding paragraph of your letter.

3. I am directed to take this opportunity of calling your particular attention to the expediency of bringing to a speedy settlement the question of the redemption

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Letter from Secretary to Government.

redemption of the peshcush, the engagement for which remains still unexecuted. His Lordship in Council concludes that you have made the necessary communication to the Government of Fort St. George, to stop all further payments on account of the peshcush.

4. It will be desirable to receive from you, also, as soon as it can be conveniently prepared, a correct statement of all sums advanced by you to Messrs. William Palmer and Co., exhibiting at the same time the state of the general account between the Nizam and the British Government, his Highness being credited with the full amount of the sum for which the peshcush has been redeemed, and debited with the sum already paid by you, and with the amount of the debt due to us on account of the revenues of the Ceded and Conquered Districts previous to the interchanges of territory.

5. The Governor-General in Council will also be happy to receive from you a report of the progress made by Chundoo Loll in carrying into effect the arrangement he engaged to make for establishing a regular system of revenue settlement, collections, and account, including a general treasury, as reported by your despatch of the 27th December last. His Lordship in Council is also desirous to be informed, whether the troops have been regularly paid since the close of the arrangement with Messrs. William Palmer and Co. for that purpose, and whether Chundoo Loll has taken any effectual steps for the disbandment of the disorderly corps of Sikhs.

I have, &c.

Fort-William,
17th October 1823.

(Signed) G. SWINTON,
Secretary to Government.

(Enclosure No. 30.)

Letter from Resident at Hyderabad.

To George Swinton, Esq., Secretary to Government.

Sir:

I have the honour to submit the prescribed oath taken by the Political Agent at Aurungabad, and a copy of a letter which accompanied the transmission of that document to me.

2. On being desired to take the oath, Captain Canning communicated to me privately the substance of the information contained in his letter, and expressed his doubt as to the propriety of taking the oath, under the circumstances therein described.

3. Until then I was not aware of the existence of these circumstances, with the exception of the house, which I always considered as belonging to the Nizam's Government.

4. I recommended generally the course which Captain Canning has adopted: an official representation of the facts, the discontinuance of the receipt of money and all other supplies, and the continued use of the house and other accommodations, until the pleasure of Government could be ascertained.

5. The use of the house appears to me to be unobjectionable, and the same perhaps may be said of the orderly suwars, provided that they be *bonâ fide* servants of the Nizam's Government. The other items seem objectionable, or at least questionable, with the exception of the basket of fruit, which is too trivial a matter to need any remark.

6. I am somewhat embarrassed by Captain Canning's appeal to me on the subject of an equivalent for these advantages, if he should be deprived of them, for the discussion of that point might lead me into a question not relevant to the original matter of this despatch. I can bear testimony to the general expensiveness of this quarter, as compared with other parts of India; but if that were admitted as a plea for an increase of allowance in one instance, the door would be opened for similar applications in others. If the office of Agent at Aurungabad be deemed an essential one, it is certainly not well paid at its present rate of allowance, for Aurungabad being a place of general resort, with an European society of some extent, the Agent is led to incur considerable expense in supporting his station in a becoming manner. On the other hand, if the office

can

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can be dispensed with, it is dearly paid with any allowance. An additional duty has lately been imposed on Captain Canning, in the charge of the line of post between Poona and Nagpore, as far as it runs within the dominions of the Nizam.

Letter from Resident at Hyderabad.

7. With reference to that part of Captain Canning's letter, in which he remarks on the want of an office allowance, it may be observed, that he draws a monthly allowance of one hundred and seventy-eight rupees under the head of "Intelligence Department," which might, I conceive, be abolished, and the same amount be sanctioned as office allowance.

I have, &c.

Hyderabad Residency, 9th July 1823.

(Signed) C. T. METCALFE, Resident.

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Letter from Capt. Canning.

Sir:

1. I have the honour of acknowledging the receipt of your letter, giving cover to a form of oath prescribed by Government to be taken by me, in my capacity of Political Agent at Aurungabad. In obedience to the orders of the Honourable the Governor-General in Council, the above-mentioned form of oath is herewith returned, duly sworn to and subscribed. At the same time, I beg to be permitted to offer for submission to Government the following observations.

2. On taking charge of the situation of Political Agent at this place three years ago, I found established from the time of my predecessor certain advantages, or perhaps more properly speaking, in most instances, accommodations attached to the office: by what authority established I deemed it not then incumbent on me to inquire; but, under present circumstances, it appears right that they should be made known to Government. These advantages, or accommodations, consist of a house found by the Nizam's Government for the use of the Political Agent; ditto, a Suwary elephant; ditto, five camels; ditto, five orderly Suwars; ditto, two horses for the use of the writer and head servant when moving; ditto, four or five cows, number varying; ditto, wood for the use of the kitchen, and grass for the horses; also a basket of fruit sent every morning, of trifling value, and appearing to be intended as a mark of friendship and good-will. In addition to these items, a monthly sum of two hundred and seventy-four Hyderabad Rupees has been sent, to defray the expense of an establishment of servants attached to the house and others. How far it may be the intention of Government that the oath in question should interfere with the use of the house, elephant, and other items above specified, it is not for me to say, as some doubt may exist whether they may be deemed to come within the strict signification of the word "advantages," and consequently within the limits of the oath. I have availed myself of your suggestion, after stating the particulars to Government, in retaining the use of them till its pleasure shall be known. The sum in cash appearing more clearly to come within the denomination of "emolument," I have directed to be discontinued, also the firewood and grass, pending the determination of the Governor-General in Council. I may now be permitted to mention, that should such determination prove hostile to my retaining the use of a part of, or the whole of the above-mentioned items, I should venture, with reference to the very limited salary allotted to the office I hold, and to the dearness of living in this quarter, extending in many instances to double the amount of the same in Bengal,* to hope from the consideration and liberality of Government, that some equivalent may be granted. The situation I fill is, I believe, the only one in India of a similar nature, in which no allowance is made for office establishment, and yet a writer, Moonshee, and Marhatta Mootsuddee, are required. Should the house be disallowed, many thousand rupees would be necessary towards the building of one, which the salary of this situation could but ill supply; and in the early part of the monsoon I should be left with my family without residence or shelter. The elephant, and other accommodations above

* Since I have been at Aurungabad, the average monthly expense of servants has been four hundred and thirty rupees. The same would amount, on the other side of India, to two hundred and forty.

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above specified, have enabled me to attach a degree of respectability, and consequently of additional utility to the office, which the removal of them must more or less affect: independent of which, some allowance may possibly be made in favour of the feelings that must be excited by the privation of them.

Letter from Capt. Canning.

3. May I venture to request, that the above observations be submitted to the Right Honourable the Governor-General in Council, with such favourable notice, on your part, as you may deem all, or any of them entitled to.

I have, &c.

Political Agent's Office, Aurungabad, 27th June 1823. (Signed) J. CANNING, Political Agent.

(Enclosure No. 31.)

To George Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

With reference to my despatch transmitting Captain Canning's oath, I have the honour to submit a copy of another letter from that officer on the subject of his allowances, regarding which I have nothing to add to what I said thereon in my former letter.

I have, &c.

Hyderabad Residency, 11th July 1823. (Signed) C. T. METCALFE, Resident.

Letter from Capt. Canning.

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Sir:

In the observations contained in the letter which I had the honour of addressing you, under date the 27th ultimo, two points escaped my recollection, which may appear to you not irrelevant to the matter in question, and as such, deserving perhaps of being submitted to the consideration of Government. The first is, that at the time of the settlement of what, with reference to requisite expenses and charges of living, was deemed a fair and just salary for my predecessor in office, military allowances were not, as is now the case, stopped from officers holding civil situations; and secondly, that my predecessor, independent of his situation of Political Agent, received also a handsome salary as Commandant of the Troops. These aggregate allowances, in addition to the items specified in my letter of the 27th ultimo, amply enabled him to meet the charges necessary to be incurred: but, with reference to myself, having never received either of the two first-mentioned, that circumstance may possibly be deemed deserving of the notice of Government, in forming its decision on the subject of the other items.

I have, &c.

Political Agent's Office, Aurungabad, 4th July 1823. (Signed) J. CANNING, Political Agent.

(Enclosure No. 32.)

Letter from Secretary to Government.

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Sir:

1. I am directed to acknowledge the receipt of two despatches from you, dated the 9th and 11th instant, enclosing the prescribed oath taken by the Political Agent at Aurungabad, together with copies of his correspondence with you, on the subject of certain advantages he has hitherto enjoyed from the Government of his Highness the Nizam.

2. On a consideration of the circumstances stated by Captain Canning, the Governor-General in Council is pleased to permit him to continue to occupy the house, and to retain the orderly Suwars, provided they are *bonâ fide* servants of the Nizam. He is also permitted to avail himself of the accommodation of a state elephant, as hitherto; but all the other advantages enumerated in his letter, with exception to the trifling article of presents of fruit, namely, camels,

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camels, horses, cows, fire-wood, grass, &c., must be discontinued. This prohibition equally extends to the monthly allowance of Rupees 274, for establishment of servants.

Letter from Secretary to Government.

3. With respect to Captain Canning's application for some increase of allowance, as a compensation for the loss of those advantages hitherto enjoyed by him (but without the knowledge or sanction of Government), and on the ground of his predecessor having been in the receipt of military allowances, I am directed to observe, that when Captain Canning accepted the situation of Political Agent at Aurungabad, it was fully understood by him that he was not to receive any military allowances; and this was also subsequently distinctly stated to him in answer to his application of the 25th July 1820. In the plea now urged by Captain Canning, of compensation on account of loss of advantages from the Nizam's Government, the Governor-General in Council cannot discern any just ground of claim to an augmented scale of allowance, since those advantages not having been known to Government, could not have been taken into consideration when the present salary was fixed. Under the altered circumstances, indeed, of our political relations, since the first appointment of Lieutenant Sydenham to be agent in that quarter, and the consequent cessation, in a great measure, of the delicate and important duties formerly performed by that officer, the Governor-General in Council is of opinion, that the Agent is fully remunerated by the allowance already assigned.

4. With reference to the observations contained in the sixth paragraph of your letter of the 9th instant, I am directed to desire, that you will report the nature and extent of the duties now performed by the Agent at Aurungabad, and whether their execution will require the permanent establishment of a separate office, or in what other manner they can be more expediently provided for hereafter.

5. The monthly allowance of Rupees 178 drawn by Captain Canning, under the head of "Intelligence Department," appearing to be an unnecessary expense, it is to be discontinued. With regard to granting an allowance of equal amount as office rent, the Governor-General in Council desires to be informed, in the first instance, whether, under the circumstances of Captain Canning's being permitted to occupy a house belonging to the Nizam, there exists any necessity for his having a separate office.

I have, &c.

Fort-William,
31st July 1823.

(Signed) GEORGE SWINTON,
Secretary to Government.

(Enclosure No. 33.)

To G. Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad

Sir:

1. I am directed, in the fourth paragraph of your despatch of the 31st ultimo, to report the nature and extent of the duties now performed by the Agent at Aurungabad, and whether their execution will require the permanent establishment of a separate office, or in what other manner they can be more expediently provided for hereafter.

2. The duties of the Agent at Aurungabad at present chiefly consist in receiving the communications of neighbouring British authorities on local matters, and communicating thereon with the Native authorities of the Nizam's Government, and *vice versâ*, together with correspondence with the Resident on similar subjects; to which has recently been added the charge of the Post-office. These duties scarcely required the permanent establishment of a separate office, and might be performed, with the exception, perhaps, of those of the Post-office, by one of the British officers in the Nizam's service; but if to the present duties of the Agent at Aurungabad were added the superintendence of that quarter of the Nizam's dominions, on the footing on which other officers are so employed, the Agency at Aurungabad might be made an efficient and useful office.

3. In

Enclosures in Bengal Political Letter, 31 Oct. 1823.

3. In the fifth paragraph of your despatch you have misunderstood my meaning, with respect to an office allowance for the Agent. I did not mean office-rent, but an allowance for Moonshee, Writers, &c.

I have, &c.

Letter from Resident at Hyderabad.

Hyderabad Residency, Bolarum, 23d August 1823. (Signed) C. T. METCALFE, Resident.

(Enclosure No. 34.)

Letter from Secretary to Government.

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Sir,

1. I am directed to acknowledge the receipt of your despatch of the 23d ultimo, reporting, under the instructions of the 31st July, on the nature and extent of the duties of the Agent at Aurungabad.

2. Constituted as the office of Agent of Aurungabad at present is, the Governor-General in Council would infer from your report, that it might conveniently be dispensed with, unless to the duties now annexed to it was added the superintendence of that quarter of the Nizam's dominions, on the footing on which other officers are so employed. You will now be pleased more explicitly to state your sentiments, whether you consider it desirable that such an addition should be made to the duties of Agent at Aurungabad, and that office maintained, or whether any other arrangement might be more expediently adopted for the superintendence of that quarter of his Highness's dominions, and the situation of Agent be abolished. In the event of your being of opinion that the situation in question should be placed on the footing contemplated, you will report the augmentation, of allowances, chargeable of course to the Nizam's Government, which it would be proper to assign to the Agent at Aurungabad for the performance of the additional duties.

3. Referring to the concluding paragraph of your letter, I am directed to observe, that in the event of the office being continued, the allowance of Rupees 178 for office establishment, as proposed in your letter of the 9th July, will be authorized.

I have, &c.

Fort-William, 12th September 1823. (Signed) G. SWINTON, Secretary to Government.

(Enclosure No. 35.)

Letter from Resident at Hyderabad.

To George Swinton, Esq., Secretary to Government.

Sir:

I have the honour to submit a copy of a letter from the Agent at Aurungabad, which shews that the allowance of Rupees 178 per mensem, drawn by that officer under the head of "Intelligence Department," was designed to cover the expense of office establishment, and is now applied to that purpose.

I have &c.

Hyderabad Residency, Bolarum, 22d September 1823. (Signed) C. T. METCALFE, Resident.

Letter from Capt. Canning.

To Sir Charles Metcalfe, Bart., Resident, Hyderabad.

Sir:

1. I have the honour of acknowledging the receipt of your letter, under date the 23d ultimo, giving cover to an extract of a despatch from the Secretary to Government, and beg leave, in reply, to inform you, that the directions therein contained have been carried into full effect.

2. With regard to the monthly sum of Rupees 178, respecting the application of which you desire information, I beg leave to say, that the form of receipt stating that sum to be received on account of the Intelligence Department, the Hircarrahs attached to this office, varying in number and amount of salary according to the duties required of them, and to the circumstance of their

Enclosures in Bengal Political Letter, 31 Oct. 1823.

Letter from Capt. Canning.

their being stationary at Aurungabad or detached, have hitherto been paid from this fund; nor did the above-mentioned form of receipt leave room for a thought in my mind, that the sum above alluded to was intended for any other purpose. On now searching the records of the office, I find that the above-mentioned sum was designed, besides the salaries of Hircarrahs, to cover also the expense of office establishment. I beg leave accordingly to state, that it is now applied to both purposes, *viz.*, to defray the charge of an English writer, a Persian Moonshee acting also as Mahratta Mootsuddee, and a Jemadar and Hircarrahs.

I have, &c.

Political Agent's Office, Aurungabad, 10th September 1823. (Signed) J. CANNING, Political Agent.

(Enclosure No. 36.)

To George Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

1. I have the honour to acknowledge the receipt of your letter of the 12th ultimo, relating to the office of Agent at Aurungabad.

2. Considering the question on which my sentiments are required as it concerns the Honourable Company exclusively, I should be of opinion that the expense of the Agent's office at Aurungabad might be avoided, by abolishing the office, the present duties not being such as demand its continuance.

3. On the other hand, viewing the question as one in which both the Honourable Company, and his Highness the Nizam are interested, there might, no doubt, be considerable public convenience, in uniting the local superintendance of the welfare of the neighbouring districts with the powers of the Agent at Aurungabad.

4. In the event of the continuance of the office, I should certainly think it desirable, if circumstances admitted of the arrangement, that such an addition should be made to the duties of the Agent, in which case his allowances might be placed on the same footing with those of the first class of officers employed by the Nizam in civil duties, by the addition to his present allowances of one thousand Hyderabad rupees per mensem personal allowance, and two hundred Hyderabad rupees per mensem for office establishment.

5. In the event of the abolition of the office, the most expedient arrangement that occurs to me would be to transfer its duties to the officer appointed to superintend the good order of the Nizam's districts in that quarter; but it might be necessary to make a separate provision for the duties of the Post-office.

6. At present, the duties which might be added to those of the Agent are performed by an officer borrowed from the military branch of the Nizam's service, Captain Morgan, who holds the office of Paymaster in the Aurungabad division, and the Paymaster's duties are executed gratuitously by another officer.

7. The saving of expense to the Honourable Company is the only object for which the abolition of the Agent's office is desirable. In other respects, its continuance would be convenient; and with the addition of duties and allowances proposed, the post would be highly respectable.

I have, &c.

Hyderabad Residency, 6th October 1823. (Signed) C. T. METCALFE, Resident.

(Enclosure No. 37.)

To Sir Charles T. Metcalfe, Bart., Resident at Hyderabad.

Letter from Secretary to Government.

Sir:

1. I am directed to acknowledge the receipt of your despatch of the 6th instant, reporting your sentiments on the expediency of maintaining or abolishing the office of Political Agent at Aurungabad.

Enclosures in Bengal Political Letter, 31 Oct. 1823.

Letter from Secretary to Government.

2. Under all the circumstances of the case, the Governor-General in Council is satisfied, that the considerations which originally led to the formation of that office have, in a great measure, ceased to operate, and that it can no longer be necessary to maintain it. At the same time, his Lordship in Council would not propose to disturb the existing arrangement, until an opportunity shall occur for providing otherwise for the officer by whom the office is now held, when some provision will be required to be made for the due performance of the duties of the Post-office.

I have, &c.

Fort-William, 24th October 1823. (Signed) GEO. SWINTON, Secretary to Government.

(Enclosure No. 38.)

To George Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

1. I have the honour to submit a statement of the sale of specie received from Fort-William, and a statement of payments to Messrs. William Palmer and Co. on account of the Nizam's Government.

2. The profit by the sale of specie amounts to Hyderabad Rupees 66,461. 6. 3; but the charges included in the statement of the Acting Mint-master of Fort-William exceed that sum by Hyderabad Rupees 43,288. 6. 10.

3. The charges are, of course, to be debited to the Nizam's Government; but I beg to be informed whether or not it is to have credit for the profit accruing from the sale of the specie at this place.

4. I have found the dollars much the most marketable of the coins remitted: they were instantly in demand. The Sicca Rupees were not so readily disposed of; and though at length sold, have not yet been removed by the purchasers, who apprehend loss on the transaction. The blank rupees have also proved to be a bad remittance.

I have, &c.

Hyderabad Residency, 7th October 1823. (Signed) C. T. METCALFE, Resident.

STATEMENT

Statement of Sale of Specie *received from* Fort-William.

QUALITY of COINS.		Amount in Sicca Rupees, not including charges.	Rate at which sold.	Amount in Hyderabad Rupees.	Amount in Hyderabad Rupees, at 19 per Cent.	Profit.	REMARKS.
		S. Rupees. A. P.		H. Rupees. A. P.	H. Rupees. A. P.	H. Rupees. A. P.	
Spanish Dollars. . .	5,23,987	10,80,571 15 10	250 per Cent.	13,09,967 8 0	12,85,880 11 6	24,086 12 6	A deficiency of 13 Dollars.
Do. do. .	59,998	1,24,120 13 9	250 per Cent.	1,49,995 0 0	1,47,703 13 1	2,291 2 11	Do. .. 2 do.
Do. do.	57,990	1,19,749 5 7	252 per Cent.	1,46,134 12 9	1,42,501 11 8	3,633 1 1	Do. ..... 10 do.
Sicca Rupees		13,63,377 8 0	21 per Cent.	16,49,674 10 10	16,22,407 5 2	27,267 5 8	Do. ..... 39 Sicca Rupees.
Hyderabad Blank Rupees		6,79,331 1 5		8,17,587 0 0	8,08,403 15 11	9,183 0 1	A deficiency in the remittance last received, 13 Blank Rupees.
Total....		33,65,150 12 7	..	40,73,358 15 7	40,06,897 9 4	66,461 6 3	

Memorandum.—Total amount of Acting Mint-master's statement, dated 22d July, including all charges .... Sicca Rupees 34,59,469 1 0

Deduct deficiencies, as above,

13	Spanish Dollars, at 206	22,114....	..Sa. Rs.	26 12 11	
2	Do. do. at 206	875.....		4 2 2	
10	Do. do. at 206	8.....		20 10 10	
39	Sicca Rupees.....			39 0 0	
13	Hyderabad Blanks.			10 12 9	
				101 6 8	34,59,367 10 4, or Hyderabad Rupees 41,16,647 6 5

Amount of proceeds of sale 10,73,358 15 7

Excess of charges above profits..... 43,288 6 10

(Signed) H. L. Barnett,
Assistant Resident.

Enclosures in Bengal Political Letter, 31 Oct. 1823.

Statement of Payments made to Messrs. W. Palmer and Co.

STATEMENT *of* PAYMENTS *made to Messrs. William Palmer and Co. on account of the Nizam's Government.*

3d April 1823						Rupees	4,00,000	0 0
9th May							7,82,180	0 0
5th June							10,00,000	0 0
19th June							10,00,000	0 0
3d July	2,00,000	0	0					
Do.	3,00,000	0	0					
Do.	2,23,768	0	0					
				7,23,768	0 0			
4th July	1,00,000	0	0					
Do.	25,000	0	0					
Do.	5,00,000	0	0					
				6,25,000	0 0			
Do.	3,33,342	0	0				13,48,768	0 0
5th July	95,000	0	0					
Do.	4,50,000	0	0					
Do.	30,000	0	0					
Do.	3,99,958	0	0					
6th July	9,74,000	0	0					
7th July	33,257	8	0					
8th July	14,962	15	0					
Do.	1,72,636	0	0					
9th July	1,43,013	7	0					
Do,	3,150	0	0					
Do.	1,921	2	0					
							26,51,241	0 0
10th July							1,29,614	1 0
16th July				1,19,000	0 0			
Do.				59,500	0 0			
Do.				59,500	0 0			
							2,38,000	0 0
Do.							32,000	0 0
19th July							63,867	8 0
21st July							2,25,000	0 0
					Total	Rupees	78,70,670	9 0

(Signed) H. L. BARNETT,
Assistant Resident.

(Enclosure No. 39.)

Letter from Secretary to Government.

To Sir C. T. Metcalfe, Bart., Resident at Hyderabad.

Sir;

I am directed to acknowledge the receipt of your despatch of the 7th instant, submitting a statement of the sale of specie received from Fort-William, and a statement of payments to Messrs. William Palmer and Co. on account of the Government of his Highness the Nizam, and to acquaint you in reply, that his Highness's Government having been debited with all charges, the remittance being in fact considered as having been made on account of that Government, his Highness is of course to receive credit for the full out-turn, whatever that may be.

I have, &c.

Fort-William,
31st October 1823.

(Signed) GEO. SWINTON,
Secretary to Government.

POLITICAL LETTER *from* BENGAL, *Dated the 5th December* 1823.

Bengal Political Letter, 5 Dec. 1823.

1. We have the honour to submit copies of several despatches* received from the Resident at Hyderabad, since the date of our last address to your Honourable Court, on the subject of Hyderabad affairs.

2. These despatches call for no particular observations at the present moment; but they contain information which it appears to us desirable to submit to your Honourable Court, in elucidation of what is already before you.

We have, &c.

Fort-William, 5th December 1823.

(Signed) AMHERST, JOHN FENDALL.

(Enclosure No. 1.)

To George Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

1. Messrs. William Palmer, and Co. have stated, in their letter of the 19th August, that the several payments in cash, or otherwise, which follow the balance of Rupees 4,63,979. $2\frac{1}{4}$ annas, as exhibited in their accounts, were on account of a new negociation for a loan of sixty lacs of rupees.

2. Since I received a copy of their accounts from you, I have examined them attentively, in order to discover, if possible, on what grounds such an assertion is tenable, and I find that my former conviction of its falsehood is fully confirmed.

3. On comparing dates, it appears that, at the time of the sanction of Government for that pretended loan, and consequently before the receipt of that sanction, their balances against the Nizam's Government amounted, as before reported, to the sum of sixty lacs and something more.

Hyderabad Account	Rupees	26,82,402
Aurungabad Account		13,18,669
Berar Suwar Account		20,57,219
	Rupees	60,58,290

4. It appears that, at the time of making their application for that sanction, their balances against the Nizam's Government, as far as they can be ascertained, were nearly thus:—

Hyderabad Account	Rupees	13,70,601
Aurungabad Account, as above,		13,18,669
Berar Account		20,57,219
		47,46,489
Add Bonus charged on the pretended sixty-lac loan		8,00,000
	Rupees	55,46,489

5. From the first of these statements, it is manifest that when the house received the sanction of the British Government for a loan of sixty lacs to the Nizam's Government, their demands against the Nizam's Government exceeded that amount, without reference to the eight lacs bonus, which they took from the Nizam's Government on that pretended transaction.

6. From the second of these statements it appears, that when application was made for the sanction of the British Government, the demands of the house against the Nizam's Government, with the addition of the bonus, reached within less than five lacs of the ostensible amount of the fictitious loan.

7. It

* Enclosures, Nos. 1 to 14.

Enclosures in Bengal Political Letter, 5 Dec. 1823.

Letter from Resident at Hyderabad.

7. It is evident, from the body of the accounts, that after, as well as before, the receipt of the sanction of the British Government for a sixty-lac loan, the house continued an Account-current with the Nizam's Government, making advances at twenty-five per cent. interest, and receiving payments; the former aided by the accumulation of interest generally exceeding the latter, and thus keeping their demand against the Nizam's Government continually on the increase. Whether these advances were in part for public and useful, or entirely for private, corrupt, and wasteful purposes, cannot be ascertained. Whether any, or if any, what portion, may have been employed from time to time for any beneficial state service, is not shewn; but the accounts clearly demonstrate, that there was no real negociation for a loan of sixty lacs, or any other sum, for the public objects set forth in the application submitted for the sanction of the British Government, but that a new account was opened, with an assumed credit of sixty lacs, made up of a transfer of fifty-two lacs from the old account, with the addition of eight lacs bonus; and that the pretended sixty-lac loan was a trick and a cheat, in which Rajah Chundoo Loll and Messrs. William Palmer and Co. co operated, in order to deceive the British Government, and obtain its sanction for the result of past transactions, with a view, on the part of Messrs. William Palmer and Co., to secure to the house the advantages derived from the immense interest paid by the Nizam's Government for advances, and from the tributary donations poured on the members of the house, by the corrupt subserviency of the Minister. The immediate interest of Chundoo Loll in this imposition, may have been a desire for a continuance of the occasional advances of Messrs. William Palmer and Co. for the support of his wasteful expenditure; but he appears to me to have been still more swayed by his reliance on their influence for the maintenance of his ministerial office and paramount power in the State.

8. With reference to that part of Messrs. William Palmer and Co.'s letter of the 19th August, which pretends that they were obliged to have recourse exclusively to native bankers for co-operation in the sixty-lac loan, I have to remark, that as that transaction was fictitious, their statement on that subject is necessarily replete with falsehood; and further, that it is sufficiently notorious, that in consequence of the sanction of the British Government, industriously misrepresented as a guarantee, many Europeans were induced to lodge their money in the hands of Messrs. William Palmer and Co., for which the house allowed only twelve or twelve and a half per cent. interest, charging at the same time twenty-five per cent. on the outlay of the same money.

9. I do not believe that any respectable European commercial establishments have ever engaged deeply with Messrs. William Palmer and Co., for the latter have never acquired much commercial credit, and their style of business has not been such as to obtain the confidence of the European mercantile community: but the high interest of twelve per cent. has tempted into their hands numerous individual constituents, who sooner or later would have rued their misplaced confidence, if the British Government had not paid off so large a portion of the demands of the house against the Nizam's Government.

10. The more I reflect on this subject, the more I am convinced that the house must have been involved in inextricable difficulties, if it had not been saved by the interposition of the British Government. Its demands on the Nizam's Government in account would, it is true, have gone on increasing; but the means of meeting them had begun to fail, and would speedily have been exhausted. Ultimately, the house would have possessed large claims on paper, and nothing more. I have little doubt that, before this time, without the support afforded by the payments made by the British Government, the distress of Messrs. William Palmer and Co. would have become serious, and that they would have implored that interposition which they have hitherto affected to consider injurious.

11. As far as they alone, or they and Rajah Chundoo Loll together, are concerned there is room to regret, that the aid of the British Government was not withheld. Both parties must soon have opened their eyes to the ruinous consequences of their own mal-practices, and our Government might either have granted aid to the Nizam's Government, according to its own convenience, or might have referred

Messrs.

Messrs. William Palmer and Co. to Rajah Chundoo Loll personally, for the liquidation of the mass of debt incurred by him for purposes unconnected with the public welfare.

Enclosures in Bengal Political Letter, 5 Dec. 1823.

Letter from Resident at Hyderabad.

12. The measures actually adopted have, however, been dictated by the liberal desire of establishing order in the finances of our ally; and if they accomplish their object, there will be good reason to rejoice at their adoption. How far this effect will be obtained, time alone can shew; but I acknowledge that I dread the effect of the counteracting habits of Rajah Chundoo Loll.

13. I am sorry to report, that no advance has been made towards the conclusion of the engagement for the redemption of the peshcush. The Minister has not ventured yet to address the Nizam on the subject, and is probably deterred, by the necessity of explaining the cause of such heavy debts, and of accounting for the disbursement of the large sum of money which we have advanced. He wishes me to consider the affair as settled, and the Nizam's consent as a matter of course, which will be eventually obtained. It is my intention, if this delay be not soon terminated, to have personal communication with the Nizam on the subject, and to explain to him the nature of the transactions which have led to the applications of his Highness's Government for our assistance. The Minister's conduct throughout the negociation on this point has been consistent with his faithless character, and I am to blame for allowing other considerations to induce me to rely on his word.

14. Business with the Court has been much interrupted of late, by excursions made by his Highness the Nizam into the country, on which occasions he is accompanied by the Ministers. I am happy to see that the frequency of such excursions is increasing, for they are considered as indications that his Highness's mind is at ease, and that he is disposed to take amusement. He seems to enjoy himself on these occasions. It is said that, from some disgust, he secluded himself from them for several years. I have, therefore, been the more gratified, by observing that he has often indulged in this inclination during the last two or three years, and that his disposition to gratify his taste seems confirmed. As he takes no part in public affairs, it is pleasing to see him occupy his mind with rational, healthful, and enlivening recreation, instead of shutting himself up in gloomy ill-humour and sedentary biliousness, within the walls of his palace, subject to the noxious atmosphere of the filthy city of Hyderabad.

I have, &c.

Hyderabad Residency,
29th October 1823.

(Signed) C. T. METCALFE,
Resident.

(Enclosure No. 2.)

To George Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

1. I have the honour to report, that I have received a deed, under the seal and signature of his Highness the Nizam, relinquishing the peshcush of the districts called the Northern Circars, for the sum settled as the equivalent.

2. This measure was effected, after much unnecessary delay, by an intimation to Rajah Chundoo Loll, that if it were longer deferred, I should request an audience of the Nizam, and lay before his Highness all the circumstances of the previous negociation on this subject.

3. I shall hereafter submit the original deed, with a translation and such remarks as may be necessary.

I have, &c.

Hyderabad Residency, Bolaram,
6th November 1823.

(Signed) C. T. METCALFE,
Resident.

(Enclosure

Enclosures in Bengal Political Letter, 5 Dec. 1823.

Letter from Resident at Hyderabad.

(Enclosure No. 3.)

To G. Swinton, Esq., Secretary to Government.

Sir:

1. I have the honour to submit a deed (No 1), signed and sealed by his Highness the Nizam, relinquishing the peshcush hitherto paid by the Honourable Company, for the sum of Rupees 1,16,66,666. A translation (No. 2) is also enclosed.

2. The words, "in consequence of the war," meaning the late war, have been inserted, in addition to the draft which I had previously seen. Rajah Chundoo Loll says that they were inserted by order of the Nizam. The impression on my mind is, that they are in consequence of representations from the Minister, designed to persuade the Nizam that the debts of his Government were incurred exclusively on account of the war, meaning thereby on account of our alliance. The same words appeared in the first draft proposed to me, and I had then remarked on them as not strictly true. They were omitted, with other unnecessary and objectionable matter, and a new draft prepared. They have been re-inserted in the formal deed; but as they do not affect us in any way, I have not thought it necessary to reject the instrument on that account.

3. The Enclosures (3, 4, 5, 6, 7, and 8,) are copies and translations of drafts of papers which the Minister proposed to me to write, in acknowledging the receipt of the above-mentioned deed, and of a note which accompanied No. 5. Nos. 9 and 10 are copy and translation of what I have actually written on the occasion.

4. These papers clearly indicate an attempt, on the part of the Nizam's Minister, to which he has wished to make me a party, to persuade his Highness the Nizam that the debts of the Government have been the unavoidable consequence of the war; that we have pressed the reduction of the peshcush, in order to procure payment of Messrs. William Palmer and Co.'s demands, and of the balance due to ourselves for excess of revenue in territorial cessions; that all the debts of the government are now cleared off, and that we are guarantees against further claim on the part of Messrs. William Palmer and Co.

5. In my reply I have confined myself to such explanations as will prevent its being made use of to confirm the deception which the Minister has evidently practised on his Highness. I have not thought it necessary to comment on the Minister's proceedings, for if I were to enter into a contest on every occasion on which his deceits may be detected, I should be in perpetual collision with him.

6. I have thought it necessary plainly to disavow the identity between the British Government and the house of William Palmer and Co., which the Minister's drafts would imply. I have no doubt that the Minister has attempted to excuse his connexion with that house, of which the Nizam has often spoken with disgust, by misrepresenting it as forced on him by the British Government.

7. The papers 11 and 12 are copy and translation of a report from the Minister to the Nizam, written with a view to reconcile his Highness to the future loss of the peshcush, without drawing on himself the consequences of a candid exposition of past transactions. In this report, every thing that can conduce to that object is represented in the most favourable point of view, and in a manner quite opposite to the sentiments before expressed by the Minister on the same subject.

8. I have thought it right to forward all these documents, as indicative of the system of deception by which the Minister operates on the mind of his Highness the Nizam.

9. You will observe that our claim for balances, arising from excess of revevenue in territorial exchanges, to the date of the last treaty, has been settled at twenty lacs. We might, perhaps, have insisted on a little more; but this sum already includes items to which the Nizam's Government has always objected, and, on the whole, appears to me to be as much as we can with liberality demand.

I have, &c.

Hyderabad Residency,
8th November 1823.

(Signed) C. T. Metcalfe,
Resident.

No.

Enclosures in Bengal Political Letter, 5 Dec. 1823.

Enclosures in Letter from Resident at Hyderabad.

(No. 2.)

TRANSLATION *of the Deed relinquishing the Peshcush.*

Whereas the payment of the debt bearing interest, incurred in consequence of the war, is deemed proper and desirable, therefore his Highness the Nizam hereby relinquishes to the Honourable English Company, from the Fusly year 1233, in exchange for the sum of one crore, sixteen lacs, sixty-six thousand six hundred and sixty-six rupees, the annual payment of seven lacs of rupees, on account of the peshcush of Seekakool.

Dated 29th Suffer, 1239 Hejira, agreeing with 4th November 1823.

(No. 4.)

TRANSLATION *of a Draft delivered by Rajah Chundoo Loll to Lieutenant Barnett.*

Your note, with the Deed, on the part of his Highness the Nizam, relinquishing the peshcush of Seekakool to the Honourable Company, in exchange for the debt of the Kothee (Messrs. William Palmer and Co.), and for the collections of districts, has been received. For the future, there remains no claim of any description whatever against the (Nizam's) Government, on account of the debt to the gentlemen of the firm, or of collections of districts.

(No. 6.)

TRANSLATION *of a Draft received in a Note from Rajah Chundoo Loll to Lieutenant Barnett.*

The Deed relinquishing the peshcush of Seekakool, in exchange for the debt to the Kothee, including principal and interest, and for collections of districts ceded by his Highness the Nizam to the Honourable Company, has been received. Henceforth the Honourable Company has not, and will not have any demand whatever, either on account of any particle of debt, whether principal or interest, due to the gentlemen of the Kothee, up to the end of Suffer 1233, or on account of collections of districts.

(No. 8.)

TRANSLATION *of a Note from Rajah Chundoo Loll to Lieutenant Barnett, enclosing the above Draft.*

In a personal interview, I delivered to you the Deed relinquishing the peshcush of Seekakool. As his Highness has demanded a receipt in full of all demands on account of the Kothee, I therefore request that you will send me a receipt with the seal of the Resident, agreeably to the enclosed draft.

(No. 10.)

TRANSLATION *of a Letter from Sir Charles Metcalfe to Rajah Chundoo Loll.*

I have received the Deed relinquishing the peshcush of Seekakool, &c., together with your note and enclosed draft. Regarding the collections of districts, the circumstances are these. Up to the date of the late Treaty there was an excess in the collections of the districts ceded by the Honourable Company to his Highness the Nizam, above those of the districts ceded by the Nizam to the Company, estimated at twenty lacs of rupees, consequently credit has been taken for the above sum out of the one crore, sixteen lacs, sixty-six thousand six hundred and sixty-six rupees, given in exchange for the peshcush. On this affair (that is, as respects the above-mentioned collections of districts) there remains no further claim.

With regard to the debt to the firm of Messrs. William Palmer and Co., the Honourable Company has not, never has had, and never will have any concern. Agreeably to your desire, the sum of seventy-eight lacs seventy thousand six

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Enclosures in Letter from Resident at Hyderabad.

hundred and seventy rupees, nine annas, has been paid to them, from one crore sixteen lacs sixty-six thousand six hundred and sixty-six rupees, given in exchange for the peshcush. No demand on account of the debt to them has ever been made by the Honourable Company, and none ever will be made, the Honourable Company having no concern whatever in their affairs.

(No. 12.)

TRANSLATION *of a Petition of Rajah Chundoo Loll sent to his Highness the Nizam.*

Your slave has no other object than the welfare of your Highness's State, and employs his whole time, day and night, with a view to that purpose, in order that affairs may be properly conducted, and that a surplus may be paid into your Highness's coffers. I formerly delivered a statement of annual payments by instalments, amounting to ten lacs of rupees, to be made into your Highness's treasury, in the year 1233 Fusly. I now have arranged that, from the Fusly year 1234, fifteen lacs of rupees, in excess to all expenses, will be annually paid to your Highness.

During an audience, I some time back represented that I had settled the matter of the payment of the debt to the Kothee (Messrs. William Palmer and Co.) in exchange for the peshcush of Seekakool; I now, therefore, submit the Deed of Cession, for the purpose of receiving the seal and signature of your Highness. After being sealed and signed, I beg that it may be returned, as the Resident not only daily urges me for the delivery of this paper, but complains of my remissness in this affair.

In consequence of the war, during which, in addition to the customary expenses, were added those of entertaining the troop (regiment of cavalry) and the battalions, together with purchase of military stores, and of grain, cattle, &c., although, from a debt being incurred, loss was apparently sustained, yet, in reality, by the performance, during the war, of engagements agreeably to treaty, your Highness's Government has received much benefit.

In the first place, the chout formerly collected in your Highness's country by Rao Pundit Purdhan has been ceded to your Highness. Secondly, the above mentioned Rao had a claim on your Highness's Government for a large sum of money; a relinquishment of this claim has been obtained from the Honourable Company, whereby there no longer exists any demand whatever against your Highness. Thirdly, by the increase of the friendship of the Honourable English Company, the late Treaty, promoting the strength of your Highness's Government, present and future, has been concluded. Fourthly, an advantage has been derived by the yearly payment into your Highness's coffers of fifteen lacs of rupees, in addition to the expense of troops, &c. Fifthly, the payment of the debt of the Sirkar, which was incurred in consequence of the war, has been effected, by the relinquishment of seven lacs of rupees yearly. Indeed, of this sum of seven lacs of rupees, your Highness's Government has, in the territorial exchanges, received an excess of two lacs of rupees annually; consequently, by the relinquishment of only five lacs of rupees annually, the entire debt of the State has been liquidated.

From the commencement of the reign of the late Nizam, notwithstanding the great extent of territory, so large a sum annually has never been paid into the treasury: the proof of which is, that had such sum been annually paid in excess to all expenses, an accumulation would have taken place, but such has not been the case.

Although I, who am but your Chumburdar (shoe-carrier), was obliged by extreme difficulties during the war to contract a debt, yet what I have done has been for the prosperity and stability of your Highness's Government.

Enclosures in Bengal Political Letter, 5 Dec. 1823.

(Enclosure No. 4.)

To George Swinton, Esq., Secretary to Government.

Sir:

Letter from Resident at Hyderabad.

I have the honour to submit a copy of a letter from Messrs. William Palmer and Co., and a copy of my reply.

I have, &c.

Hyderabad Residency, 10th November 1823.

(Signed) C. T. METCALFE, Resident.

To Sir Charles T. Metcalfe, Bart., Resident, &c. &c. &c.

Letter from Messrs. W. Palmer and Co.

Sir:

We have the honour to acknowledge the receipt of your letter of the 1st November, communicating to us an extract of a letter from the Honourable the Court of Directors to the Supreme Government.

We regret that it is not in our power to bring all our transactions to an immediate close. It is our desire to accomplish this as speedily as possible, and we earnestly entreat your assistance to enable us to recover our outstanding balances, by which means only we can hope to effect it.

In the mean time, we beg to inform you that Sir William Rumbold, Bart., and Mr. George Lamb, have retired from our establishment from the 1st of this month.

We most earnestly and humbly intreat your aid, to enable us to realize our different claims, both as connected with our own interests, and on account of our numerous European constituents, whose fortunes are involved in our concerns.

We have, &c.

Hyderabad, 8th November 1823.

(Signed) WM. PALMER and Co.

To Messrs. William Palmer and Co.

Letter from Resident at Hyderabad.

Gentlemen:

1. I have the honour to acknowledge the receipt of your letter of the 8th instant.

2. If you will state what balances are outstanding, the recovery of which would enable you to bring your transactions to a close, I will submit the statement, together with your application for the consideration of the Right Honourable the Governor-General in Council.

3. I am about to close accounts with the Government of his Highness the Nizam, respecting the advances made for the payment of the public debt; if, therefore, you are desirous that the portion of your remaining demand against the Government, which I am at liberty to discharge, should be paid through me, I beg that you will have the goodness to send in your account of it.

I have, &c.

Hyderabad Residency, 10th November 1823.

(Signed) C. T. METCALFE, Resident.

(Enclosure No. 5.)

To George Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

1. I have the honour to submit copies of correspondence with Messrs. William Palmer and Co.

2. I am not surprized at their feeling a difficulty in regard to a resort to the courts of this country, for I know of none of sufficient respectability to warrant any reliance on their decisions; and I am not aware that any possess authority over

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over the class of persons, against whom the largest demands of Messrs. William Palmer and Co. are charged.

I have, &c.

Hyderabad Residency,
15th November 1823.

(Signed) C. T. METCALFE,
Resident.

Letter from Messrs. W. Palmer and Co.

To Sir Charles T. Metcalfe, Bart., Resident, &c. &c. &c.

Sir :

We have the honour to acknowledge the receipt of your letter of 11th instant, regarding the existing restrictions.

We humbly hope that no retrospective charge of interest will annul to us the benefit of the consideration which the Right Honourable the Governor-General in Council has been pleased to extend to us, and all future charges of interest, either from the 1st of Rubee ool Awul, or from the last settlement of accounts with the respective parties, as you shall be pleased to direct, shall be regulated in conformity to the orders of the Supreme Government.

We, however, beg to say that we experience difficulty in regard to a resort to the constituted courts of this country. In the first instance, we do not know of any tribunal exercising judicial authority in these matters. We shall submissively refer our suits to such court as you shall be pleased to make known.

Under every circumstance, we feel that our only reliance for the adjustment of our claims will rest with you.

We have, &c.

Hyderabad,
14th November 1823.

(Signed) WM. PALMER and Co.

Letter from Resident at Hyderabad.

To Messrs. William Palmer and Co.

Gentlemen :

1. I have the honour to acknowledge the receipt of a second letter from you of the 14th instant.

2. A copy shall be submitted for the consideration of the Right Honourable the Governor-General in Council; but I cannot hold out any hope, after the instructions which have been received, that his Lordship will authorize any intercession for the payment of demands on which illegal interest is charged, either prospectively or retrospectively.

3. I am sensible that you must experience difficulty with respect to a resort to the judicial courts of this country, which shall be represented to the Supreme Government. At present, I can only point out to you the courts established at Hyderabad and Aurungabad respectively: if those are not competent tribunals I do not know of any other.

I have, &c.

Hyderabad Residency,
15th November 1823.

(Signed) C. T. METCALFE,
Resident.

Letter from Resident at Hyderabad.

(Enclosure No. 6.)

To George Swinton, Esq., Secretary to Government, Fort-William.

Sir :

With reference to your despatch of the 31st ultimo, I have the honour to report that I have instructed Major Parker, of the Nizam's service, to receive temporary charge of the Agency of Aurungabad, during the absence of Captain Canning on the public service.

I have, &c.

Hyderabad Residency,
15th November 1823.

(Signed) C. T. METCALFE,
Resident.

(Enclosure

Enclosures in Bengal Political Letter, 5 Dec. 1823.

(Enclosure No. 7.)

To George Swinton, Esq., Secretary to Government.

Sir:

I have the honour to submit copies of a letter from Messrs. William Palmer and Co. and of my reply.

Letter from Resident at Hyderabad.

I have, &c.

Hyderabad Residency,
16th November 1823.

(Signed) C. T. METCALFE,
Resident.

Sir Charles T. Metcalfe, Bart., Resident, &c. &c. &c.

Letter from Messrs. W. Palmer and Co.

Sir:

We have the honour to acknowledge the receipt of your letter of 10th November.

We beg to state to you, that our principal outstanding balances are those against Rajah Chundoo Loll, Mooneer-ool Moolk, Shah Yar ood Dowlah, and Munsoor Khan, which have been submitted to you. Unless these be adjusted, we can have no hopes of bringing our transactions to a close. Our personal prospects are now at an end, and our only anxiety is for the interests of our constituents, who are almost exclusively Europeans, and whose fortunes are embarked in our concerns. The consideration which this involves we earnestly hope may dispose the Government to save the numerous unoffending parties from ruin.

We beg further to submit to you, that Mooneer-ool Moolk, Shah Yar ood Dowlah, and Munsoor Khan have failed in the performance of their engagements for the last Fusly year, and no arrangements have been made for payments to us for the current year, and we are quite hopeless of effecting any adjustment with them, under existing circumstances, but through your interposition.

We have the honour to submit to you our account with Rajah Chundoo Loll closed with interest to the 1st of Rubbee ool awul. We also enclose a memorandum of the sums which have been debited on account of the allowances to the Palmer family, and the amount of the bonus.

We submit to you, for your consideration, that the salaries have been paid to the respective parties, agreeable to the Minister's orders, and that the house possesses no means of recovering them.

We have, &c.

Hyderabad,
14th November 1823.

(Signed) W. PALMER and Co.

Rajah Chundoo Loll's Loan Account, *in Account Current with* William Palmer and Co.

Dr. *Cr.*

			Hyderabad Rupees.	A.
H. 1238.				
Zeekaud.....	1.	To balance	53,90,441	8¼
H. 1239.				
Rubbee ool awul	1.	... Balance of Interest at twelve per cent. ...	1,16,504	14
		Hyderabad Rupees	55,06,946	6¼

			Hyderabad Rupees.	A.
H. 1238.				
Shuwaul	5.	By a transfer of his General Account closed ...	50,418	4¾
	24.	... Transfer from the Resident's treasury	3,33,342	0
	25.	... Do. .... do.	9,74,958	0
	26.	... Do. ..... do.	9,74,000	0
	27.	... Do. ..... do.	33,257	8
	28.	... Do. ..... do.	1,87,598	15
	29.	... Do. ..... do.	1,48,084	9
	30.	... Do. ..... do.	1,29,614	1
Zeekaud.....	6.	... Do. ..... do.	2,70,000	0
	9.	... Do. ..... do.	63,867	8
	11.	... Do. ..... do.	2,25,000	0
H. 1239.				
Rubbee ool awul	1.	... Balance due to us.....	21,16,805	8½
		Hyderabad Rupees	55,06,946	6¼

Hyderabad,
1st Rubbee ool awul.—H. 1239.

(Signed) Wm. Palmer and Co.

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Letter from Messrs. W. Palmer and Co.

By following Sums on account of Mr. William Palmer's allowances.

		Rupees.	A.	Rupees.	A.
H. 1228.—16th Rumzaun	Rupees	24,000	0		
H. 1229.— 7th Shuwaul		24,000	0		
H. 1231.—30th Rumzaun		24,000	0		
H. 1232.—14th Shuwaul		24,000	0		
H. 1233.—24th Shuwaul		24,000	0		
H. 1234.—30th Shuwaul		24,000	0		
H. 1235.—15th Zeekaud		24,000	0		
H. 1236.—29th Zeekaud		24,000	0		
H. 1237.— 8th Zechijj		6,000	0		
				1,98,000	0

Mr. Hastings Palmer.

H. 1231.— 9th Shuwaul		12,000	0		
H. 1232.—14th Shuwaul		12,000	0		
H. 1233.—24th Shuwaul		12,000	0		
H. 1234.—30th Shuwaul		12,000	0		
H. 1235.—15th Zeekaud		12,000	0		
H. 1236.—29th Zeekaud		12,000	0		
H. 1237.— 8th Zeehijj		12,000	0		
				84,000	0

Masters John & William Palmer.

H. 1235.—15th Zeekaud		19,200	0		
H. 1236.—29th Zeekaud		28,800	0		
H. 1237.— 8th Zeehijj		28,800	0		
				76,800	0
H. 1235.— 1st Zeekaud, bonus				8,00,000	0
				11,58,800	0

(Signed) Wm. Palmer and Co.

Letter from Resident at Hyderabad.

To Messrs. William Palmer and Co.

Gentlemen :

1. I have the honour to acknowledge the receipt of your letter of yesterday.

2. It will not be in my power to do any thing on the account therein transmitted, for several reasons. First—No interest is included in the statement of the bonus, and the allowances to the Palmer family. Second—Interest is charged on the general account beyond the period at which I before apprized you that the payment of it on my part, in behalf of the Nizam's Government, would unavoidably cease, consequently the real balance which I might formerly have discharged with the sanction of the Nizam's Government does not appear.

3. These objections, however, are of the less importance, as under the recent instructions from the Supreme Government, I doubt the practicability of undertaking to discharge any part of the balance of your demand ; and moreover, I find on summing up accounts with the Nizam's Government, that there is little or nothing due by the British Government. I should, therefore, in any event, be without the means of meeting any demand on your part against the Nizam's Government, even if I were authorized to liquidate it.

4. A copy of your letter shall be submitted for the information of the Right Honourable the Governor-General in Council.

I have, &c.

Hyderabad Residency,
15th November 1823.

(Signed) C. T. Metcalfe,
Resident.

(Enclosure

Enclosures in Bengal Political Letter, 5 Dec. 1823.

(Enclosure No. 8.)

To George Swinton, Esq., Secretary to Government.

Sir:

Letter from Resident at Hyderabad.

I have the honour to submit copies of letters addressed to Messrs. William Palmer and Co., in consequence of the instructions conveyed in your despatches of the 17th ultimo.

I have, &c.

Hyderabad Residency, 17th November 1823. (Signed) C. T. METCALFE, Resident.

Letter from Resident at Hyderabad.

To Messrs. William Palmer and Co.

Gentlemen:

1. Your application on the subject of your claim against Umeen ool Moolk having been submitted to the Right Honourable the Governor-General in Council, I have received his Lordship's commands thereon.

2. It is considered to be open to you, to apply for redress to the tribunals of justice established at Hyderabad, and in the event of your being desirous to appeal from the decision of the court of justice to the Government of his Highness the Nizam, I am permitted, under the existing restrictions against your direct intercourse or communication with his Highness's Government, to transmit written representations from you to the Minister, and to receive and convey to you his reply, provided that the rate of interest charged in the account on which your claim be founded do not exceed twelve per cent. per annum.

3. With respect to the special transaction between your firm and Umeen ool Molk, his Lordship does not consider it to be one which the British Government is in any way pledged to adjust.

I have, &c.

Hyderabad Residency, 11th November 1823. (Signed) C. T. METCALFE, Resident.

Letter from Resident at Hyderabad.

To Messrs. William Palmer and Co.

Gentlemen:

1. Having submitted to the Right Honourable the Governor-General in Council a view of your situation with respect to the recovery of just demands, under the existing restrictions against your intercourse with the Government of his Highness the Nizam, I have received the following commands.

2. I am authorized to transmit appeals from you to the Government, provided that no higher rates of interest than twelve per cent. be charged on the transactions to which they refer, and that you have in the first instance, applied for redress in the constituted courts of the country.

I have, &c.

Hyderabad Residency, 11th November 1823. (Signed) C. T. METCALFE, Resident.

Letter from Resident at Hyderabad.

To Messrs. William Palmer and Co.

Gentlemen:

1. Your accounts with Nawaub Mooneer-ool Moolk, and your application regarding them, having been submitted to the Right Honourable the Governor-General in Council, I have received his Lordship's orders thereon.

2. I am permitted to forward those accounts to Mooneer-ool Moolk, and to communicate to you his reply, provided that the rate of interest charged be reduced to twelve per cent.

3. I am directed to request of you an explanation of the charge against Mooneer-ool Moolk in the account of the Old Concern, No. 3, for 1813, stated to be an order in favour of Mr. Henry Russell for Rupees 30,000.

I have, &c.

Hyderabad Residency, 12th November 1823. (Signed) C. T. METCALFE, Resident.

To

Enclosures in Bengal Political Letter, 5 Dec. 1823.

Letter from Resident at Hyderabad.

To Messrs. William Palmer and Co.

Gentlemen:

1. I am directed by the Right Honourable the Governor-General in Council to communicate to you the following reply, on your reference regarding the bonus attached to your sixty-lac loan, and the allowance granted by Rajah Chundoo Loll to Mr. William Palmer and his family.

2. The conduct of Rajah Chundoo Loll, with regard both to the bonus and to those allowances, had been pronounced to be extremely reprehensible, and he is held accountable for it to his Sovereign and to the British Government, whom he has grossly deceived.

3. Under these circumstances, the British Government never could sanction, by its countenance, so shameful and criminal a misappropriation of the public funds by the Minister, as the liquidation of your demands on account of the bonus and those allowances; and in the event of his taking upon himself to satisfy those demands from the coffers of the State, I am instructed to make a representation directly to his Highness the Nizam, remonstrating against such misappropriation of the public money.

4. The Right Honourable the Governor-General in Council will always be ready to pay attention to any representations on your part, in explanation of the justice of the demands in question, into the merits of which you expressed your incompetency to enter fully at the time of writing.

I have, &c.

Hyderabad Residency,
12th November 1823.

(Signed) C. T. METCALFE,
Resident.

Letter from Resident at Hyderabad.

To Messrs. William Palmer and Co.

Gentlemen:

1. A copy of your letter, soliciting a revision of the order declaring you to have forfeited the countenance and protection of the British Government, having been submitted to the Right Honourable the Governor-General in Council, I am directed to apprize you as follows.

2. His Lordship is unable to discern, in any explanation as yet afforded by you, any ground for the revision of that order, while much has since appeared to his Lordship in Council, to confirm the justice and propriety of the resolution.

3. You are on the same footing with all other British subjects in the Nizam's dominions, and are free to present, through the British Resident, to his Highness's Ministers, any lawful appeal for redress. No shackles are imposed on the licit exercise of your commercial pursuits: you are only interdicted from dealings with the Government of his Highness the Nizam, and from direct intercourse with the Ministers.

I have, &c.

Hyderabad Residency,
12th November 1823.

(Signed) C. T. METCALFE,
Resident.

(Enclosure No. 9.)

Letter from Resident at Hyderabad.

To George Swinton, Esq., Secretary to Government.

Sir:

1. I have the honour to submit copies of a letter from Messrs. William Palmer and Co. and of my reply.

2. The passages quoted by Messrs. William Palmer and Co., without reference to dates, relate to a transaction prior to their arrangement with Umeen-ool Moolk, which was resorted to in consequence of the failure of the other. The subsequent arrangement having also failed, they seem to wish to revert to the terms of the first. I have not thought it necessary to unravel the twists of these proceedings, as the result could not in any way affect my conduct.

I have, &c.

Hyderabad Residency,
17th November 1823.

(Signed) C. T. METCALFE,
Resident.

Enclosures in Bengal Political Letter, 5 Dec. 1823.

Letter from Messrs. W. Palmer and Co.

To Sir Charles T. Metcalfe, Bart., Resident, &c. &c. &c.

Sir:

We have the honour to acknowledge the receipt of your letter of the 11th instant, in reply to our application regarding our claims against Umeen-ool Moolk.

We shall avail ourselves of the permission extended to us by the Supreme Government, and shall submit our claims, with reference to our letter of the 14th instant, to the jurisdiction which you may be pleased to point out for adjustment.

We beg to submit to you a translation of the Persian contract, under the operation of which Umeen-ool Moolk was distinctly appointed to the charge of Shah Yar-ool Moolk's districts, by the nomination of the Minister, for the express purpose of making to us certain stipulated annual payments, and in default of which we consider the Minister, under submission, to be responsible to us.

We had the honour of submitting to you copies of the original Persian engagements entered into with us by the Minister, Shah Yar ool Moolk, and Umeen ool Moolk.

TRANSLATION *of "the Representation of Messrs. William Palmer and Co." to the Minister.*

"With the permission of the Sircar, we have made a loan to Shah Yar ool "Moolk, on the condition that, if the said Nawaub do not pay the money due to "the house with punctuality, according to the terms of his written engage- "ments, the Maharajah will appoint Naibs, on the part of the Sircar, to the "whole of the districts enumerated below, and will cause the whole of the "collections from them to be paid to the house, till its claims shall be dis- "charged; and to this effect a written engagement has been given by the said "Nawaub, and deposited with the Sircar. We hope that, in default of punctu- "ality, the Sircar will act conformably to the above-made representation, and "that (the collections) from the below-mentioned districts will not be in any "way divested or alienated, till the claims of the house shall be adjusted."

"A Statement of the Districts."

"Tandore, Cheetapore, Ullupore, Tyfabad, &c., Nundwar, &c., the villages "in charge of Nukhee Ali Khan, the Nuzzerana of the Zemindars, and the "Nuzzer of the Talooks, &c."

The following engagement is made in the Minister's own hand-writing.

"In default of punctuality in payments, Naibs will certainly be appointed "by the Sircar to the whole of the districts; and their collections, till the set- "tlement of the claims of the house, shall be paid to the house. On no account "shall the collections of the districts be divested or alienated."

We have, &c.

Hyderabad, 1st November 1823.

(Signed) W. PALMER and Co.

Letter from Resident at Hyderabad.

To Messrs. William Palmer and Co.

Gentlemen:

1. I have had the honour of receiving your letter of the 15th instant, regarding your claims against Umeen ool Moolk.

2. If it were in my power, and according to my duty, to advocate those claims, I should be under the necessity of troubling you for more particular information on the subject of the engagements quoted in your letter: but this would now be useless, as whatever stipulations may have been agreed to by Rajah Chundoo Loll, they are not considered by the Right Honourable the Governor-General in Council as in any degree operative on the British Government.

I have, &c.

Hyderabad Residency, 17th November 1823.

(Signed) C. T. METCALFE, Resident.

(Enclosure

Enclosures in Bengal Political Letter, 5 Dec. 1823.

(Enclosure No. 10.)

To George Swinton, Esq., Secretary to Government.

Sir:

Letter from Resident at Hyderabad.

1. I have the honour to submit a copy of a letter from Messrs. William Palmer and Co. for the consideration of the Right Honourable the Governor-General in Council.

2. I have so often had occasion to express my sentiments on the subjects to which it refers, that I do not think it necessary to trouble his Lordship with any detailed comments on this representation, which is in great measure a repetition of former statements, and does not appear to me to alter, in any degree, the real features of the connexion between Rajah Chundoo Loll and Messrs. William Palmer and Co.

I have, &c.

Hyderabad Residency, Camp, Umberpett, 19th November 1823.

(Signed) C. T. METCALFE, Resident.

Letter from Messrs. W. Palmer and Co.

To Sir Charles T. Metcalfe, Bart., Resident, &c. &c. &c., Hyderabad.

Sir:

We have the honour to acknowledge the receipt of your letter of 12th November, regarding our reference to you on the subject of the bonus, and the allowances to Mr. William Palmer and his family.

Mr. William Palmer begs to submit to you the circumstances under which he originally entered into the service of this Government. In the year 1799, when Mr. Palmer was first appointed to the command of a battalion of infantry in the Nizam's service, by the Minister, Azim-ul Omrah, the command of the disciplined troops, amounting to near twelve thousand men, with their full equipment, recently vacated by French officers, was occupied almost exclusively by European foreigners, and the tenure of his service, in the appointment of the command of one of those battalions, was similar to that of the European foreigners, and to that of the immediate Native subjects of the Government. His orders were received from, and his reports made to, Rajah Mohaput Ram, then in charge of what were called the French troops.

Under the administration of Azim-ul Omrah, Mr. Palmer was promoted to the command of two battalions, with one of which he was employed to co-operate with the Company's troops in the war against Scindiah and the Rajah of Berar. He was selected by Colonel Stevenson, commanding the Subsidiary force, to act as Brigade-Major with the Nizam's troops, and was invested by him with authority to use his name on any emergency, to enforce orders which might be essential for the benefit of the service.

On the breaking out of the war, Mr. Palmer was placed with two battalions in command of Aurungabad, a frontier town, and ancient capital of his Highness the Nizam, and corresponded on the movements of the enemy with General Wellesley and Colonel Stevenson.

On the termination of the war, Mr. Palmer was appointed, under the same administration, to the charge of the newly-ceded districts of Jalna and Gandapore.

In all the situations in which Mr. Palmer was placed, he behaved with fidelity and zeal. It is peculiarly his misfortune, that from the lapse of time he cannot refer to the testimonies which might have been borne to his conduct. General Colins, who was at Aurungabad, gave him credit for the plans which he formed for the defence of the city, when it was threatened by the movements of the Rajah of Berar, and for the zeal and alacrity which he manifested in the pursuit of the Pindarries, who had taken prisoner an officer of General Colin's staff, at the head of fifteen troopers only, belonging to the former French troops.

Mr. Palmer brings with confidence to the notice of Government, that the service was attempted by him, when the Native horse under Rajah Mohaput Ram

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Letter from Messrs. W. Palmer and Co.

Ram refused their co-operation, and the troopers attached to General Colin's escort expressed their reluctance, with their numbers, to be employed on so hazardous a service. The pursuit was maintained by Mr. Palmer to the bottom of the Phoolmooree Pass, in advance, and out of sight of the Bengal troopers, and was only relinquished from the total inability of his party to overtake the Pindarries.

He was a short time after the war recalled to Hyderabad, retaining his districts and his command; and his allowances were increased, under the same administration, to one thousand rupees per month, besides a per-centage on the collections of the districts.

On the death of Azim-ul Omrah, his Highness the Nizam directed the daily attendance of Mr. Palmer at his Court; and on one occasion made a confidential communication through him to the Resident, Colonel Fitzpatrick.

Whilst the present Nizam was heir apparent, Mr. Palmer volunteered on service on the expedition against Sholapore, on which occasion his Highness commanded the Nizam's troops, with which a detachment of the subsidiary force was sent to co-operate. Mr. Palmer was employed by his Highness in his communications with Colonel Kenny, the officer commanding the division of the Honourable Company's troops.

On the accession of Meer Alum to the administration, the Nizam directed that a body of cavalry should be raised and attached to him personally. Mr. Palmer was selected for the situation, and held a lucrative contract for two hundred and forty troopers and horses.

Under the same administration, he was successively appointed to the further command of a body of two hundred, and then of one hundred Native horse, upon advantageous contracts, *viz.*, fifty rupees per man and horse, and his personal allowance was raised to two thousand rupees per month.

Mr. Palmer was employed by his Highness's Government to negociate with Rajah Mohaput Ram, and was permitted by Meer Alum to correspond with Captain Sydenham, the Resident, by his (Captain Sydenham's) desire, on the subject of the negociation. It was not successful, and terminated in a defeat of the Nizam's troops. Mr. Palmer volunteered his services in the battle, and was put in command of the whole of the Nizam's cavalry. On these occasions Mr. Palmer was taught by the Resident, that his services were brought to the favourable notice of the British Government.

Mr. Palmer begs to state, that the negociation was attended with the utmost personal hazard: that the turbulent and predatory soldiery of Rajah Mohaput Ram, with the impression that the negociation would terminate in their disbandment, threatened his life, crowding into the house where he was occupied with Rajah Mohaput Ram, and blocking up the road to his encampment. His safety was only secured, as he believes, whilst the ferment was so great, by his making Mohaput Ram a prisoner within the room of his own house, where the conference was held. The next morning his tents were surrounded by a party of Arabs and horse, and he was obliged to take possession of a bastion of Mohaput Ram's own village, within which he was encamped, for a temporary defence.

He was only released from this situation by the intercession of Mahomed Rezza Scindee, a chieftain of note with Mohaput Ram, who deprecated the breach of faith he was going to commit.

He begs to submit, that the hazard of this service is best ascertained from the treatment of Major Gordon by the enemy, who after he was taken prisoner, and had received quarter, was cut down after the battle in cold blood; and Mr. Palmer understood that a tent which was pitched for his accommodation was cut into pieces by the Arabs.

Mr. Palmer was subsequently employed as Persian Interpreter, and in charge of the Intelligence Department with Colonel Stevenson, commanding the subsidiary force, in the pursuit of Rajah Mohaput Ram.

There are other services of less note which he would enumerate, but will not unnecessarily occupy your time.

During

Enclosures in Bengal Political Letter, 5 Dec. 1823.

Letter from Messrs. W. Palmer and Co.

During the ministry of Rajah Chundoo Loll, on the disbandment of the horse which he commanded (the contracts for which had given him a net benefit of six thousand rupees a month or more), Mr. Palmer continued to receive his personal salary of two thousand rupees per month, which was paid to him for the period of about one year prior to the formation of a house of business.

On the formation of a mercantile establishment under his conduct, Mr. William Palmer did not conceive that he was removed from the service by the act, while he did not, in any kind of way, deviate from the practice of the country, as can be exhibited in numerous instances, of too frequent occurrence to require proof; and he regarded himself, and was considered, the servant of the Nizam's Government, and the several instances of his being ordered on service, and his acquiescence to the commands, will be proof of his own opinion and that of the Nizam's Government.

Subsequent to the establishment of the house, he was ordered to quell a mutiny in Major Gordon's battalion; and when the Company's troops were ordered out on this service under General Conran, he was put in command of the Nizam's horse. He was required by General Conran, from his local knowledge of the position occupied by the mutineers in a Choultry, to act as guide, which necessarily placed him in an advanced and prominent situation. He was honoured on this occasion by the public approbation of the Right Honourable the Governor-General, Lord Minto.

Mr. Palmer was employed to preside at the court-martial held over the mutineers, of which Captain Beckett, who commanded the Russell Brigade, having Company's officers under him, was a member. The Court passed capital sentence upon several of the mutineers. Mr. Palmer begs to call the attention of the Government to the peculiarity of the circumstance, that had he considered himself subject to any other authority but that of the Nizam's Government, he would not have exposed himself to the danger of being held amenable for his conduct, which had been proceeded upon without a proper warrant.

Mr. Palmer was again employed, on the failure of Captain Beckett against Bhuwaneepet, with instructions to supersede him in the command of the Russell Brigade, if he failed to carry the orders of Government, communicated to him through Mr. Palmer, into effect. Had such an event taken place, Mr. Palmer, by his accession to the command, would have had the Company's officers serving in the Russell Brigade placed under his orders.

Mr. Palmer reverts to the two situations of his having received the approbation of the Governor-General, and of his having had a commission to supersede Captain Beckett in his command, in testimony of the only inference that could be drawn by him, that his position was not considered objectionable by the Right Honourable the Governor-General in Council, Lord Minto. With the most distant impression of impropriety, he would have avoided those situations which brought him to the notice of the Supreme Government. His conduct was wholly unconcealed, inasmuch as his services were openly demanded by his Highness's Government, and as openly rendered by him.

He considered himself, from his original position in the service, at a time when there was not any interference on the part of the Company's Government, in either the military or civil arrangements of this State, as bound to it alone, and to it alone did he look up for his promotion and benefits, and regarded them as a testimony of his reputation.

Mr. Palmer's situation was different from that of the English officers who have subsequently entered the service. He exclusively received his pay and his orders from the Nizam's Government, without the intervention of any other authority. His attendance by the Minister could be required direct, and he had been for several years in daily attendance at the Court of his Highness the Nizam; and till the period of his dismission having been signified to him by the Resident, he had been in the observance of the etiquette towards his Highness the Nizam, which appertains to the rules of the service.

When a disturbance was raised in the city by the princes, which the Russell Brigade was called out to suppress, Mr. Palmer repaired to the Minister to volunteer his services, and was called into consultation.

Enclosures in Bengal Political Letter, 5 Dec. 1823.

Letter from Messrs. W. Palmer and Co.

Mr. Palmer has humbly attempted to shew, that he was not, on any occasion, deficient in zeal and activity; that he was employed on services of importance, and where he acted under the orders of superiors, he was put in prominent situations; and that whilst no sort of unpleasant reflection has ever been made upon his conduct or character, but on the contrary he has invariably possessed the approbation of his superiors, he hopes it will be admitted, that it was but justice to him to continue the payment of his salary.

This had been allowed to him since the disbandment of his Resalahs of horse; and having passed without a comment till lately, he was totally unprepared to find it objectionable; and being so, he neither could have averted the situation by an official acknowledgment, nor have saved himself from the reprehensions, by a relinquishment of what he considered himself justly entitled to. He appeals to you with confidence, as to the fact of the publicity of his situation, and that there was not any attempt at concealment on his part. He humbly submits to you the hardship of his case, in being judged by rules with which he could not be acquainted.

Mr. Palmer cannot entertain a doubt, that the Nizam was acquainted with his being in the service. He attended the Durbar of his Highness for four years, and was employed by him in his confidential affairs. The act of having continued to present his nuzzers, and their acceptance on the part of his Highness, was an acknowledgment of his situation, according to the rules of the country. He cannot hesitate, with the permission of Government, to submit his condition by an arzee to his Highness the Nizam.

Viewing his situation as removed from the cognizance of the British Government, he considered it was open to him, as to others in similar circumstances, without a reference to the Resident's authority, to resort to the Nizam's Government with applications on behalf of his family and friends; and several officers were received in the service on his recommendation at different times, by name Mr. John Robinson, Mr. Burgh, and Mr. Pearson, during the administration of Meer Alum. Mr. Hastings Palmer was similarly provided for, upon his application, a year or more before he became a partner of the house; and long subsequently, the Minister, Rajah Chundoo Loll, was pleased to give an allowance to his sons. Mr. Palmer submissively states, that the considerations extended to him, by the Nizam's Government were received as acknowledgments of his service, and that he has always been disposed to view them as leading to credit and reputation.

Mr Palmer has shewn, that his best possessions and commands were held by him under the Minister, Rajah Chundoo Loll's predecessor in office, and that his rise in the service was progressive.

Mr. Palmer cannot presume to contend against the opinions entertained by the Right Honourable the Governor-General in Council; but he hopes it will be admitted, that a change of relations alone between the Governments, which he could not foresee, extended to his individual case, which had long subsisted without comment, has subjected him to his present unhappy condition; and he humbly hopes, that Government, in its universally acknowledged liberality, will save him from the misery of a measure affecting him, by a retrospective operation.

His career has been one of reputation and credit, and his appeal would be cheerfully made to the community where he has passed his whole life.

With the views formed by Government regarding the bonus, we cannot but regard our situation as peculiarly unfortunate and embarrassing, and we must rely wholly upon the clemency of Government to put the most liberal construction upon the act. We acceded to a loan upon a smaller rate of interest than we had been in the habit of charging, and we were called upon to make it at a time when we were totally unprepared for it, and were destitute of funds, and which situation necessarily exposed us to an increased charge of interest, and thus a portion of the loan was occupied by others for their benefit, unprofitably to us, but still upon our own risk, and a considerable former balance held by us advantageously was converted into a similar unprofitable occupation of the loan.

We

Enclosures in Bengal Political Letter, 5 Dec. 1823.

Letter from Messrs. W. Palmer and Co.

We had the honour to submit the particulars to you by our letter of the 14th October 1822, to which we respectfully beg to refer you.

The investiture of our funds in a loan, which was repaid slowly and gradually, exposed us to subsequent losses, and our necessities being prominent, every banking transaction of ours, whether on exchange or discount, was subjected to a loss. We at one period encountered a run upon the house, which was obviated by considerable sacrifices.

With the feelings of men who acted for their gains, we could not have sacrificed our advantages and encountered risks, without the hope of adequate compensation; and reverting to the wishes of the Minister, whom we considered as the best judge in his own affairs, we apprehended that the arrangement was not burthensome to him, and was necessary to shelter us from a present positive, and subsequent eventual loss. The saving which this arrangement has led to, on the part of the Government, by enabling the Minister to disband a number of troops earlier than he could otherwise have done, has amounted, we humbly submit, to a much larger sum than the stipulated bonus.

Our gains have never been exorbitant, compared to the rates of profit obtained by houses of business in India; and we beg to state, that at no period since the loan has been made, have our dividends exceeded seven per cent. upon the amount of capital employed.

We entreat you to take into consideration, that the bulk of the money employed by us was invested by European capitalists, and that our payment of interest to them was twelve per cent. clear, without any charge for agency. We considered our transactions as beneficial to that community, which could not have obtained more than five, six, or seven per cent. at our Presidencies.

We fear to be troublesome, but we hope we shall be pardoned for dwelling on a matter of vital importance to us; and we once more beg to be permitted to revert to the circumstance, that through our agency alone, a considerable market was opened for British manufactures, at a time when the opening of the trade made a glut of British commodities in India ruinous to English houses, and that our efforts have established a navigation of four hundred miles, between a productive part of the Nizam's country and the Eastern coast. Whilst our labours have succeeded in the primary object, we have suffered very severe losses from circumstances which we could not control.

We entreat the Government to direct their attention to our fate, in the consideration that, in the examination of our accounts for a period of twelve years, we have been subjected to a severe ordeal, from which no body of men, acting for their own advantage, could perhaps escape without reprehension.

Reverting to our rate of interest, we beg to say, and we shall readily submit to the severest scrutiny, that it is a reduced rate to that which obtained in the market before the establishment of our house. A ready proof of this may be found in Soucars discounting their own and each other's acceptances at two per cent. per month; and we are ready to prove, that Government bills in private hands have been discounted at five per cent. per month.

We will not presume to argue upon the grounds that different rates of interest are legislated for different countries, as witness England and the East-India Company's dominions; and that, in respect to our transactions, we could not (with submission) but feel ourselves justified by the licence of the Supreme Government, afforded to us under its seal and signature, under date the 23d July 1816.

We humbly entreat you to consider, that whilst certain grounds of our conduct may have been liable to unfavourable imputations, we have not been exempt from endeavours to do good. We humbly implore the Government to avert the ruin from those unfortunate persons, who though unoffending, will suffer from having vested their fortunes with us.

We have, &c.

(Signed) WILLIAM PALMER and Co.

Hyderabad,
17th November 1823.

(Enclosure

Enclosures in Bengal Political Letter, 5 Dec. 1823.

(Enclosure No. 11.)

To George Swinton, Esq., Secretary to Government.

Sir:

Letter from Resident at Hyderabad.

1. The substance of your despatch of the 17th ultimo, having been communicated to Rajah Chundoo Loll, he has, in addition to former excuses, alleged that, in agreeing to the propositions of Messrs. William Palmer and Co. regarding the pretended sixty-lac loan, he considered that he was complying with the wishes of the late Resident and of the British Government.

2. The communication prescribed by the fifth paragraph of your despatch of the 17th ultimo has also been conveyed to Chundoo Loll, who does not, at present, shew the slightest inclination to make any further payments to Messrs. William Palmer and Co.

I have, &c.

(Signed) C. T. METCALFE,
Resident.

Hyderabad Residency,
Camp, Mulkapore,
20th November 1823.

(Enclosure No. 12.)

To George Swinton, Esq., Secretary to Government.

Sir:

Letter from Resident at Hyderabad.

1. I am directed by the fifth paragraph of your despatch of the 17th ultimo to report on the progress of Rajah Chundoo Loll, in carrying into effect the arrangements he engaged to make for establishing a regular system of Revenue settlement, collections, and account, including a general treasury, and also on the payment of the troops and the disbandment of the disorderly corps of Sikhs.

2. The revenue Settlements hitherto carried into effect are such generally as I have recommended. Experience has proved that they have been purposely neglected, wherever our interposition has not extended, and that the Minister adopts with the greatest reluctance, and strives to counteract every measure that has a tendency to define his demands on the people, and limit the extent of his exactions. There are still abundant symptoms of his preferring clandestine acquisition to acknowledged revenue, and of his even sacrificing the income of the state, for the purpose of obtaining an irregular payment for which he may not have to account. On his part, there is much underhand opposition to the establishment of a regular system of settlement; but there is an ostensible acquiescence in our recommendations, and orders are issued by him, from time to time, which in spite of himself and of his known disposition, effect considerable good. On the whole, with much disappointment, arising out of the causes above mentioned, the progress actually made in revenue settlements is the most satisfactory result of our interference, and constitutes the only effectual check on the Minister's unprincipled rapacity.

3. With respect to collections, there is no improvement, nor any alteration as far as I am informed. On this point we have never exercised any interference, except when complaints be made of extortions beyond the amount of assessment. The collections are entirely and exclusively in the hands of the native officers of the Government acting under the Minister's orders: our interposition, with the exception above mentioned, being confined to friendly exhortation, has produced no result whatever.

4. The same may be said with respect to accounts. Such accounts are kept as the Minister means to allow to see the light, but I do not conceive that they can be relied on.

5. No general treasury has been formed, and whatever promises may be made, none is likely to be formed under the administration of Chundoo Loll. He continues, notwithstanding every recommendation to the contrary, to effect his payments by assignments on the revenue: he consequently spends before he receives, and has nothing to put into a treasury. I am not sure that there is any place bearing that name at this Court, but if there is, it must be empty; for the disposal of every sum that comes into the Minister's hands is anticipated, and not a rupee has leisure to rest for a moment in the quietude of a treasury, excepting

Enclosures in Bengal Political Letter, 5 Dec. 1823.

Letter from Resident at Hyderabad.

excepting what may chance to find its way into the personal coffers of his Highness the Nizam.

6. The payment of the regular troops has been effected only by incessant attention on our part. At first I trusted to the Minister's positive assurances, that he had actually supplied the requisite funds; but it at length appeared that a portion of the troops had been for five months without receiving any pay, and that, in some instances, the recruits had fainted in the ranks from the want of wholesome subsistence. It became necessary to give more direct attention to this subject, and partly by continual urgency, partly by persuading the native bankers to advance money at twelve per cent. interest, and partly by occasional recourse in emergency to the extreme measure of advancing cash from the treasury on the security of the peshcush, the troops have latterly been paid with tolerable regularity. The subject, however, will continue to require incessant attention, for no reliance can be placed on the most solemn promises of Chundoo Loll; and if the payment of the troops be left to his management, without continual inquiry and urgency on our part, the arrears will rapidly increase, until the pressure become insupportable for the troops, and relief impracticable on the part of the Government.

7. No progress has been made in disbanding the disorderly corps of Sikhs. The Minister has repeatedly held out delusive assurances on this subject, but I fear that they have been entirely faithless. I had suspended the delivery of the formal demand which I was instructed to convey to him on this subject, and was proceeding on the recommendations which I had previously urged. He is now, however, acquainted with the sentiments of the Right Honourable the Governor-General in Council on this subject, and has again promised to disband all the Sikhs in his pay, excepting such as remain in the city for his own protection. The latter may be kept in order, but those away in the provinces are quite licentious and incorrigible, and most savagely oppressive towards the people. I shall, no doubt, have to report again on this subject, for no reliance can be placed on Chundoo Loll's assurances.

8. On all the points in which I have been compelled to report unfavourably in this despatch, he has promised to pay greater attention in future; but I transmit this promise, without venturing either to answer for its performance, or even to vouch for its momentary sincerity.

I have, &c.

Hyderabad Residency, Camp, Mulkapore, 20th November 1823. (Signed) C. T. METCALFE, Resident.

(Enclosure No. 13.)

To George Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir:

1. I have the honour to submit a statement of our account with his Highness the Nizam, relative to the redemption of the peshcush, and the payments made from the Residency treasury on the orders of his Highness's Minister, prepared according to the instructions contained in the fourth paragraph of your despatch of the 17th ultimo.

2. The item which refers to Mohaput Ram is an old and undisputed claim on our part, for the settlement of which I have taken advantage of the present opportunity.

I have, &c.

Hyderabad Residency, Camp Mulkapore, 20th November 1823. (Signed) C. T. METCALFE, Resident.

The NIZAM'S GOVERNMENT *in Account Current with the* HONOURABLE COMPANY.

Dr.

1823.			Hyderabad Rupees.	A.	P.
April ...	3.	To Cash paid Messrs. William Palmer and Co..... Rs. 4,00,000 0 0			
May.....	9.	... Do. ..... do. 7,82,180 0 0			
June ...	5.	... Do. ..... do. 10,00,000 0 0			
	19.	... Do. ..... do. 10,00,000 0 0			
July ...	3.	... Do. ..... do. 7,23,768 0 0			
	4.	... Do. ..... do. 9,58,342 0 0			
	5.	... Do. ..... do. 9,74,958 0 0			
	6.	... Do. ..... do. 9,74,000 0 0			
	7.	... Do. ..... do. 33,257 8 0			
	8.	... Do. ..... do. 1,87,598 15 0			
	9.	... Do. ..... do. 1,48,084 9 0			
	10.	... Do. ..... do. 1,29,614 1 0			
	16.	... Do. ..... do. 2,70,000 0 0			
	19.	... Do. ..... do. 63,867 8 0			
	21.	... Do. ..... do. 2,25,000 0 0	78,70,670	9	0
		... Surplus collections of exchanged districts 20,00,000 0 0			
October 31.		... Cash paid Sahookars, by desire of Rajah Chundoo Loll... 7,44,437 13 0			
		... Balance due on settlement of last kist of Peshcush..... 4,41,899 4 11			
		... Amount of note of hand of Mohaput Ram 1,00,000 0 0			
		... Charges on specie received from Calcutta, Sicca Rupees 92,226 14 1..... 1,09,749 15 10			
		... Interest account 2,30,145 13 0	36,26,232	14	9
		... Balance due	1,69,762	8	3
		Hyderabad Rupees	1,16,66,666	0	0

Cr.

1823.		Hyderabad Rupees.	A.	P.
October 31.	By Cash amount of Redemption of the Peshcush...	1,16,66,666	0	0
	Hyderabad Rupees	1,16,66,666	0	0

20th November 1823.

(Signed) C. T. METCALFE, Resident.

True Copy.

(Signed) GEO. SWINTON, Secretary to Government.

(Enclosure No. 14.)

Enclosures in Bengal Political Letter, 5 Dec. 1823.

To George Swinton, Esq., Secretary to Government.

Letter from Resident at Hyderabad.

Sir :

1. I have the honour to submit a copy of a letter from Messrs. William Palmer and Co.

2. The explanation furnished by Nawaub Mooneer-ool Moolk of the payment of thirty thousand rupees to Mr. Henry Russell is as follows: that the said sum was paid to that gentleman on account of the repairs of a large tank in the neighbourhood of the city of Hyderabad, which were conducted by Teekh Ram, a person in Mr. Russell's service.

I have, &c.

Hyderabad Residency, Camp, Mulkapore, 20th November 1823. (Signed) C. T. METCALFE, Resident.

Letter from Messrs. W. Palmer and Co.

To Sir Charles T. Metcalfe, Bart., Resident, &c., Hyderabad.

Sir :

We have the honour to acknowledge the receipt of your letter of 12th November, regarding our accounts with Nawaub Mooneer-ool Moolk.

We beg to submit, that the permission of Government to transmit our accounts to Mooneer-ool Moolk through you, is rendered nugatory by the condition it imposes. We hope that the Right Honourable the Governor-General in Council, reverting to the licence under which our transactions were conducted, and the supremacy of which we could not doubt, will be pleased to limit the order to a prospective operation.

Our books contain the following entry regarding the payment to Mr. Russell, which is the only knowledge we have of the transaction: " 18th Suffer, Hejira " 1223, To credit of Mr. Henry Russell, by order due 1st Rubbee ool awul."

We have, &c.

Hyderabad, 19th November 1823. (Signed) W. PALMER and Co.

NOTE —*The following Letter is not to be found on the Records of the Bengal Government as sent home to this country. It was transmitted in a Letter from the Marquis of Hastings to the Court, dated at Naples the 24th of April, but not received at the India-House until the 8th of July* 1824, *and is inserted in this compilation in compliance with his Lordship's wish. Had it been received in time it would have been inserted in its proper place, page* 228.

To George Swinton, Esq.

Letter from the Marquis of Hastings.

My dear Sir:

The surprise and regret, equal, and each extreme, which I felt on receiving your letter, dated yesterday, would be difficult to express. That Mr. Adam would comment on the draft which I sent you for Mr. Metcalfe was necessarily expected, from the marked solicitude he has latterly shown to record opposition of sentiment to me. This, however, is no excuse for the unconscionable retardment of a despatch which evidently required expedition. Supposing objection meditated to its transmission, that objection ought to have been stated on the first Council-day after the draft had been perused, and I should not have been left in ignorance that my instructions to the Resident had not been forwarded. My concern with affairs here is happily so near its close, that it is scarcely worth while to discuss the point, otherwise I would ask how is the Governor-General to be justly responsible for political arrangements, when his decision on them can be thus paralyzed?

I have reconsidered my draft, after perusing Mr. Metcalfe's letter of the 30th September, and I see no cause to alter a tittle in what I wished should be signified to the Resident: on the contrary, his present letter renders my observations more necessary; I therefore entreat that a despatch, according to the draft, may be expedited immediately, with the date (if I did not put one to the draft) of the first Council-day after you received it from me. Should the whole of the members dissent, I take the measure on myself; for I am determined to register my reprobation of the arbitrary and insulting principles of procedure towards native Governments, which have been too long indulged irreconcilably to the credit of our nation.

As to the Resident's letter of the 30th September, it exhibits no evil of which we had not already knowledge. We had been apprized that the engagements of William Palmer and Co. with the Minister gave to that house an influence which it might have many inducements to abuse. In consequence, the object of the Court and of this Government was to dissolve those engagements; but each authority desired to do it honestly. No consideration on earth would have swayed Mr. Metcalfe to act unjustly, had he suspected that he was doing it; so that he must have practised a deception on himself, when he construed the interests of the Nizam to be so paramount, as to require the sacrifice of the house of William Palmer and Co., instead of bringing the transactions between them to a fair adjustment. What I am ascribing to Mr. Metcalfe does not rest on any statement in my possession; consequently I speak from memory: nevertheless, it is scarcely possible that I should err as to the fact. In a letter which Mr. John Palmer shewed to me, the circumstance was mentioned, not as matter of complaint, but in explanation of that debt of twenty-five lacs which we thought had been intentionally concealed, and its application to that question must have made me as attentive to the point as had it been urged in the light of a grievance. A reference to Mr. Palmer* would put it out of doubt. Mr. Metcalfe obliged the firm to give up to the Minister the tunkhas which they held from him for their advances on account of the Aurungabad contract, professing to leave the liquidation of those advances to the eventual ability of the Minister in some future day. Is it wonderful that men should infer hostility from an act so glaringly unequitable, or that their conclusion from it should make them take an attitude of estrangement? That appearance would, nevertheless, strengthen the prejudice which Mr. Metcalfe had already adopted against them, and from which his blindness to the real quality of the

* John Palmer, Esq., of Calcutta.

Letter from the Marquis of Hastings.

the above measure proceeded. The injunction of upholding Chundoo Loll was from the first unpalatable to him, as being in his view a limitation on his judgment. He thence went to Hyderabad disinclined towards that Minister. I can readily fancy, that on his arrival he found in the members of the firm an affectation of weight with the Minister, and a general air of pretension, which could not but be offensive to the Resident, as throwing him somewhat into the shade. Under this irritability, Mr. Metcalfe imputed to a plot against himself that intercourse between Messrs. William Palmer and Co. and the Minister which the subsisting pecuniary relations made unavoidable. Once this notion was conceived, it was sure to become unmeasured rapidly. Hints of an existing intrigue, intentionally, or inadvertently, dropped by the Resident before his Assistants, gave them their cue. As is always the case with adherents, they supposed it would manifest a lively interest for their principal, if they warped, or exaggerated, or coined, indications on the part of William Palmer and Co., corresponding with his suspicion. Thus stimulated, and no explanation frankly sought, the sore could not but rankle. " Trifles, light as air, are " to the jealous confirmations strong as proofs of holy writ:" and in that mood Mr. Metcalfe has given voluminous details of petty " *buzzes*," and constructions, which one laments to see entertained for a moment by a man of his talents and uprightness. He expatiates upon particulars to which he says he himself is at a loss how to give credit. Why, then, hold them forth for our belief? Among his surmises, he points at the reliance of the combined parties upon Sir William Rumbold's interest with me. I will not imagine it to be suggested, that such an interest, available against my representative, existed, because an insinuation of that nature would call for an epithet of no ordinary harshness: but the imputing to the parties such a reliance, seems a gratuitous assumption founded on the tittle-tattle of the Resident's dependents. In one instance, indeed (paragraph 57), a specific fact, tending to prove that reliance, is quoted. " It was whispered in the European society, on the alleged autho- " rity of Sir William Rumbold, that his Excellency the Governor-General in " Council was highly displeased with my proceedings, and that he (Sir William " Rumbold) fully expected that I should be dismissed." From my knowledge of the person, I would pledge my existence that Sir William Rumbold never did assert what he could not by possibility know. I do not think it incredible that Sir William Rumbold, aware as he was of the principle regarding the Nizam's Government, communicated by my direction to Chundoo Loll, may have expressed his persuasion that I could not be satisfied with procedures so contradictory to my views. It was a natural inference from grounds publicly known: so natural, that (although no one out of Council could have learned the fact) in my Minute of the 27th May 1821, I had condemned those very procedures, and declared they could not be upheld, only I feared to create embarrassment by a sudden intervention. Yet the supposition regarding Sir William Rumbold, even in this limited extent, would stand on no better footing than that it was not altogether out of likelihood. There would be no direct reason for believing that he had actually so expressed himself; and had Mr. Metcalfe paused to put the question to himself, whether common candour would authorize the quoting such tales of whispering in crimination of another, he would assuredly have rejected the thought. In paragraph 67, Mr. Metcalfe adverts to the disregard of his proposition for a loan as having operated against his influence. He was not only Secretary in the Political Department, having as such cognizance of what passed in Council, but he was private Secretary to the Governor-General. His oblivion of my having recorded my conviction that I should act illegally, were I to guarantee a loan, the terms of which were precisely the same with what he submitted, is almost as extraordinary as his having forgotten that I had caused him to write a long despatch, detailing the principles to be observed in the future management of the Hyderabad concerns to the late Resident.

What is suggested in paragraph 108 is completely the arrangement desired by this Government; but the slightest perception of any practicable means for effecting it is not afforded to us. I have stated to the Members in Council my readiness (in consequence of the Court's last letter on the subject) to furnish the sum requisite, on an agreement for our withholding the peshcush of the circars to pay the interest, and our receiving in mortgage pergunnahs yielding a revenue

Letter from the Marquis of Hastings.

sufficient to liquidate the principal by instalments in a short term of years. Why the matter stops I know not.

On the whole, it is obvious to me that Mr. Metcalfe has, under a temporary illusion, slidden into a temper which may entail much injury to the public service, as well as injustice to individuals. Such a letter as I drafted is necessary to recall him to himself; and it could not recall him to any thing more dignified, or more amiable.

I have, &c.

(Signed) HASTINGS.

Barrackpore,
27th October 1822.

I certify, upon honour, that this is an exact transcript from the copy received by me from the office at Calcutta; except that, in the quotation from Shakespeare, the words "*confirmation strong as,*" were interlined by me in that copy, as having been obviously overlooked by the clerk.

(Signed) HASTINGS.

A LETTER

TO THE

COURT OF DIRECTORS

OF THE

EAST-INDIA COMPANY;

ON THE

SUBJECT OF THE PAPERS RELATIVE TO THE AFFAIRS OF

HYDERABAD,

DURING THE GOVERNMENT OF THE

MARQUESS OF HASTINGS,

PRINTED IN CONFORMITY TO A RESOLUTION OF THE PROPRIETORS OF EAST-INDIA STOCK.

BY HENRY RUSSELL, ESQ.

LATE RESIDENT AT HYDERABAD.

LONDON:

PRINTED FOR J. ALLAWAY, RATHBONE-PLACE,

By Shackell and Arrowsmith, Johnson's Court, Fleet Street.

1824.

TO

THE CHAIRMAN, DEPUTY CHAIRMAN, AND DIRECTORS

OF THE

EAST INDIA COMPANY.

HONORABLE SIRS,

HAVING understood that some of the papers relative to the transactions at Hyderabad, which were about to be printed by order of your Honorable Court, contained allegations respecting me, and my brother, Mr. Charles Russell, with the particulars of which we were not acquainted, I made an application to your Honorable Court, that we might be allowed, before their publication, to have access to the papers, as the only source from which we could derive the means of vindicating ourselves; but I was informed by your Secretary, in answer to my letter, that your Honorable Court was under the necessity of declining to comply with my application.

I mention this circumstance now, for the purpose of shewing, in justice to my brother and myself, that it was not from any hesitation on our part, but merely from our being ignorant of the particulars of the allegations, that we did not instantly come forward to answer them. The proceedings, out of which those allegations have arisen, have, from first to last, been concealed from us. The acrimonious party spirit in which they originated, is manifest in the tone and temper which pervade the whole correspondence; and although, when much higher authority is assailed, we ought not perhaps to complain that some blows fall on us also; still we do very much complain, that on an occasion affecting our characters as public servants, we have been denied every opportunity of repelling what was false, explaining what was doubtful, or saying one single syllable in our justification.

The principal allegation appears to be, that my brother and I had an interest in the House of Messrs. W. Palmer & Co., and that the undue support of my influence was consequently given to the Firm. I positively deny both the fact and the inference. Neither my brother nor I had any interest whatever in the House; nor did it, in any instance, receive from me any support, beyond that which I was specially empowered by the Government to give, and which was directed to the advancement of the public interests committed to my charge. I can have no hesitation in stating that I entrusted a sum of money to the care of Mr. Samuel Russell, an old friend, though no relation of mine; but this was long before the establishment of Mr. Palmer's House;

and I considered that he was acting for me exclusively as one private friend often acts for another. Mr. S. Russell was for many years in the habit of employing his own funds advantageously at Hyderabad, in the various modes which offer at a large capital. At one time, he and Mr. Palmer, who held a military situation under the Nizam's Government, for their mutual convenience, managed their money together; and Mr. Palmer was constantly with Mr. S. Russell at his house, which was at the Residency. It never entered into my conception, nor could it have entered into that of any body who knew the facts as they then existed, that the pursuits which they contemplated, individually or together, bore any resemblance to a house of business. There was no previous plan or agreement between them; no office; nor any of the conditions or ingredients which belong to a regular establishment. Their progress towards that result was slow, and to me, for some time, imperceptible. When, however, I did see that their concerns were advancing beyond their original extent, I interposed, and prohibited Mr. Palmer from transacting any business within the limits of the Residency.

These measures were directed to the purpose, not of suppressing Mr. Palmer's mercantile concerns, but of preventing the possibility of its being supposed, that they derived any undue support from my authority. The peremptory manner, however, in which I adopted and enforced them, induced Mr. Palmer to believe that I was bent on ruining him, and a total rupture between us was the consequence.

It was subsequently to this, that Mr. Palmer set up regularly in business. An establishment was then, for the first time, framed by him, and all those arrangements made, which belong to the formation of a commercial house. I am not certain whether Mr. S. Russell joined Mr. Palmer or not; I believe he did not; but if he did, he had no money of mine in his hands. With the opinion which Mr. Palmer entertained of my hostility towards him, he did not look to me for any assistance; but he applied, through the influence of his brother, Mr. John Palmer, the head partner of one of the principal mercantile houses in Calcutta, for the sanction of Government to his undertaking. It has been unworthily insinuated, that the measures pursued by me on this occasion, instead of springing from a sense of duty, and being enforced with peremptory strictness, arose from prudential considerations, and were the result of clandestine concert. I appeal to the testimony of any person who was then at Hyderabad, to support my denial of the truth of the whole and every part of that insinuation. So far from there being any concert, there was at that time no intercourse between me and Mr. Palmer. From me he expected opposition, not support; and I did not even know that an application to Government was meditated by him, until he had received from Calcutta an assurance that it would be complied with. In consequence of that assurance, an official application from Messrs. W. Palmer and Co. was forwarded to Calcutta, in April, 1814, with a letter from me, in which I stated that "the "establishment of a commercial firm at Hyderabad, framed upon the "principles, and conducted in the spirit of an English House of business, "would, I had no doubt, prove a source of general convenience and benefit." In answer to this application from Messrs. W. Palmer and Co., I was told by the secretary, that "the Governor General in Council was disposed to pro- "mote the success of every mercantile enterprise which was likely to prove of "general utility to the interests of commerce, by affording facilities to the "transaction of trading concerns between the Nizam's dominions and the ter- "ritories of the Honourable Company; and that his lordship in council would "accordingly approve of my affording every proper degree of countenance to "the proposed commercial establishment of Messrs. W. Palmer and Co., "consistently with the provisions of the treaty, and of my recommending it "to the favourable consideration of the Nizam's Government."

The same policy which had suggested the conclusion of a commercial treaty with the Nizam, required the encouragement of mercantile houses, to conduct the traffic which it was intended to promote. Messrs. W. Palmer and

Co. were the first merchants at Hyderabad, who pressed commercial enterprise with any vigour, or carried it to any important result. They proved, by experiment, the practicability of navigating the Godavery four hundred miles through the interior; and thus conveying at once, by water, to the sea coast, both the cottons of Berar, which had before been carried by land to Mirzapore, and the produce of the teak forests of Ramgeer and Palooncha, which had hitherto been inaccessible to Europeans. They also applied themselves to the introduction of British manufactures into the Nizam's country; and have succeeded in promoting their consumption to an extent which certainly could not have been expected. The houses of many of the principal natives are now furnished with a variety of costly English commodities; our plain and printed cottons have been brought into general use; and I have seen the Ministers, and many persons of rank at the Nizam's court, dressed in English muslins, and English shawls. But it is said that Messrs. W. Palmer and Co. are not entitled to any merit on that account, as they entered into the traffic with a view to their own profit. No doubt they did. Merchants, I apprehend, always do engage in trade with a view to their own profit; and commercial enterprise is not, for that reason, less the source of national prosperity, or the object of national encouragement.

" Nothing," it is said, " was ever afterwards heard of the success of the " great timber trade, which was to be productive of such general benefit to " the country." If, by this, it be meant to insinuate, that the timber trade was a pretext, and that Messrs. W. Palmer and Co. never really intended to embark in it, the insinuation is utterly false. An extensive establishment was formed by them, both in the forests on the Godavery, and at Coringa, the seaport at the mouth of the river. A captain in the navy was employed by them as their principal agent, in which capacity he built a ship of their timber at Coringa; and considerable expense was incurred by them, for several years, in the prosecution of the undertaking; of which the reality is, in no degree, affected by the success or failure of its issue. The result did not, I believe, answer the original expectations of the House; but the facts which I have stated are sufficient to repel the insinuation, that the project was never seriously entertained, and was announced for a fictitious purpose.

The Marquess of Hastings had arrived in India in 1813. His Lordship had been accompanied from England by Sir W. Rumbold, who, in consequence of some proposals which were made to him by Mr. Palmer, went to Hyderabad in May, 1815, with a letter of introduction from the Marquess of Hastings to me. He remained there about a month; and after concluding an arrangement with Mr. Palmer, and becoming a partner in the concern, returned to Calcutta.

In the middle of 1816, a memorial was drawn up by Messrs. W. Palmer and Co., applying to the Government to exercise, in behalf of their pecuniary transactions with the Nizam, the power vested by statute* in the Governor-General in Council, to legalise the lending of money to native Princes. When this memorial was first communicated to me, I found that it had already been submitted to the Governor-General, and had received his Lordship's approbation. The purport of one of the paragraphs of the memorial was to empower the Resident to examine into the details of the various transactions of the House. To this I objected; on the ground that it would be impracticable for the Resident to look, with effect, into the details of transactions so numerous and complicated, as those in which the House might engage at Hyderabad, and that it would be unjust to impose on him the weight of a responsibility, of which he could not efficiently discharge the duties. The paragraph was accordingly expunged. The memorial was forwarded to Calcutta;† and the legal instrument, conveying the sanction applied for, was transmitted in a despatch from the Secretary, dated 23d July, 1816.‡

* 37 Geo. III. cap. 142. sec. 28.
† To Mr. Sec. Adam, 27th June, 1816. Hyd. Papers, page 3.
‡ Hyd. Papers, page 6.

Our political interests at Hyderabad required, at that time, to be guarded with peculiar circumspection. They were beset with difficulty on every side. From the Nizam himself, we had nothing to hope, and every thing to fear. He was weak in his own character, uneasy under our controul, and notoriously friendly to every project that was hostile to us. His own family submitted, with equal reluctance, to his authority, and our influence. Two of his sons had recently broken into open rebellion; and after a sharp conflict in the heart of the city, in which an officer of my escort was killed, had been arrested and confined. His Ministry was distracted by jealousy and dissension. Mooneer ool Moolk was a nominal Minister without authority, and Chundoo Loll the efficient Minister without the name of office. They were necessarily rivals instead of colleagues. Whatever one proposed the other resisted, and the Nizam's influence was always thrown into the opposite scale to ours. Mooneer ool Moolk, with an habitual propensity to artifice and stratagem, was engaged, both at home and abroad, in perpetual intrigues against Chundoo Loll, who was the Minister of our choice, and who stood almost alone as the advocate and supporter of our interests. The chieftains and noble families imputed their loss of weight and influence in the state to our ascendancy, and hated us with double rancour, because we were powerful, and because we were Christians. The populace, like that of all Mahometan cities, was turbulent, discontented, and fanatic, and was ripe for the perpetration of any enormities or excesses. We had, therefore, to support a Government, which, though unable to support itself, was unwilling to be supported by us; and had every thing to apprehend that could arise from national hatred and religious bigotry, from secret disaffection and open hostility. Only a few months before, on the occasion of an insurrection in the city, the Nizam had been invited to raise the standard of a holy war against the infidels; and his own brother-in-law, Shums ool Omrah, declared publicly at the palace, that if every true believer would but throw a handful of earth upon us, we should be overwhelmed. The hostilities which we were afterwards compelled to undertake against the Pindarrees, and in which we were eventually involved with the Marhattah Powers, were then evidently approaching; and Chundoo Loll could not have pursued the course which was essential to the maintenance of internal tranquillity, as well as to the efficient prosecution of the war, without extraordinary assistance, and the command of pecuniary means beyond the dilapidated resources of his own Government. It is incumbent upon those who object to his measures, to shew, either that he could have done without the money which he borrowed, or that he could have borrowed it upon better terms than he did.

From the application of that money, our interests derived at least as much benefit as the Nizam's. One of the conditions of the treaty which Marquess Wellesley concluded with the Nizam in 1798, preparatory to the war with Tippoo, was, that he should disband a large military force then in his service, under the command of French officers; and it became our obvious policy, to induce him to supply its place by a similar force, officered by British subjects. The importance of this force was, in an eminent degree, enhanced by the peculiar circumstances of the Nizam's Government, and the critical relation in which we stood towards other powers; and Chundoo Loll had therefore been obliged to incur considerable expence in extending and improving it. In the end of 1816, a few months before the operations against the Pindarrees began, I prevailed upon the Nizam's Government to organize a body of four thousand of their own irregular cavalry, and to place it under the command of English officers. The particulars of this measure were reported by me to the Supreme Government, in a dispatch to Mr. Chief Secretary Adam, dated the 30th of December, 1816,* in which, among other details, I stated that the

* "For the pay of the 2000 Sirkar horse in Berar, an arrangement has been made with Rajah "Govind Buksh, who has engaged that they shall not be more than one month in arrear; the pay of "January, for instance, being issued on the 1st of March; and for the payment of the Sirkar horse "(1000) that have gone from Hyderabad, the House of Messrs. Palmer and Company have agreed "with Rajah Chundoo Loll to provide the monthly sum of fifty-two thousand rupees, at Aurungabad.

House of Messrs. W. Palmer and Co. had agreed with the Minister to provide the monthly sum of fifty-two thousand rupees, for the payment of one thousand of the horse; the payment of the remaining three thousand having been provided for by other means. The answer from the chief secretary to the foregoing despatch, contained the following passage:—"To your approved "judgment and address, his Excellency in Council mainly ascribes the success "with which so important a measure has been carried into effect. His Lordship "in Council, also desires to express his entire approbation of the details of the "arrangement for organizing the cavalry in question, as reported in your "despatch."

When the war began in 1817, that part of the Nizam's army, which was commanded by English officers, and to which alone we looked for useful co-operation, was divided into two principal portions; of which one was stationed at Hyderabad, and the other in Berar, a northern province of the Nizam's, immediately contiguous to the seat of war, of which Aurungabad is the capital. The division at Hyderabad was regularly paid from the Resident's treasury; but the arrangement which had been made for the payment of that at Aurungabad, with the exception of the thousand horse, of which the pay was provided by Messrs. W. Palmer and Co. having failed, at a critical juncture of the war, owing to the misconduct of the Nizam's officer in charge of the province, a further agreement, similar to that before described in the instance of the horse, was made by the Minister with Messrs. W. Palmer and Co., by which they were to furnish two lacs of rupees a month, for this purpose, at Aurungabad. This arrangement was reported by me to Government, on the 31st December, 1818.*

The views of a Government often fluctuate with the changes of its members; but its agents are not to be censured for pursuing to-day, under the same circumstances, the same measures which were sanctioned and applauded yesterday. The provision for the payment of a part of the cavalry having been approved of, I concluded that a similar provision for the payment of the infantry, and the remainder of the cavalry, would be approved of also. Objections, however, were insinuated, though not distinctly advanced against this last arrangement, which became the subject of a long correspondence. I was directed to state, "in what degree my sanction had been given to it;" and an apprehension was expressed, that "a guarantee might have been implied on "the part of the British Government;" or that "there might be some im-"plication, though not expressed, through which the Honorable Company "might be expected to enforce fulfilment of the Nizam's agreement, should "arrears or obstructions occur."

In my answer, I stated "that arrangement was first suggested by Captain "G. Sydenham,† to Messrs. W. Palmer and Co., proposed by them to me, "and mentioned by me to the Minister. The discussions which took place "on the subject of it, between the Minister and Messrs. W. Palmer and Co. "were carried on with my full knowledge, and the conclusion of the arrange-"ment had my entire concurrence; as I considered that the punctual pay-"ment of the troops was indispensable to their efficiency, and as I knew that "it could not be securely provided for by any other means. None of the "native bankers at Hyderabad could have commanded funds adequate to the "purpose; and even if they could, their terms would have been much higher "than those of the present arrangement. Both the Minister and Messrs. W. "Palmer and Co. were aware that I considered the object to be one of much "public importance, and certainly expected that I should give it the same "support, which I had already been directed by the Supreme Government, to

"The Jaghcerdars will be required to pay their troops with equal punctuality; and as the greater "part of them belong to Salabut Khan, I trust that no serious difficulties will arise on this point."—Extract from a Despatch from Mr. Russell to Mr. Chief Secretary Adam, 30th December, 1816.
To Mr. Russell, 22d February, 1817.

* To Mr. Secretary Adam, Hyd. Papers, page 11.
† Political agent in Berar.

" give to the transactions of the House generally; but there was no assurance " or understanding, expressed or implied, which amounted to a guarantee, or " which could possibly be construed into a pledge, that the Honorable Com- " pany should enforce the fulfilment of the agreement on the part of the " Nizam's Government."

In order, however, to put this important point beyond the possibility of misconception, I called upon Messrs. W. Palmer and Co. to declare the terms on which they entered into the agreement; and they stated in their answer, " We " have never understood that a guarantee of any sort was afforded to us by " the British Government, or that any pecuniary liability whatever, on the " part of the Honorable Company, was involved, either in the encouragement " which you gave to the arrangement, or in the support which we expected " from you, for our security in the conduct of it. But we must observe, that " in a country where there are no regular courts of judicature, we never could " have established an extensive mercantile concern, without the conviction " that we should receive from the Resident that support, which is essential to " the transactions of any British merchant in this country; and that we " considered ourselves justified in looking for that support, in consequence of " the letters which the Supreme Government was pleased to address to you on " the subject of our establishment."

Messrs. W. Palmer and Co. at the same time, transmitted through me to Government, a copy of their contract with the Minister, under which their advances at Aurungabad were made. Government, upon this, called for " figured statements," on certain points referred to in the contract. But Messrs. W. Palmer and Co. instead of confining themselves, in their answer, to the specific information required of them, sent to me, to be submitted to Government, a detailed copy of the whole account between the House and the Minister at Aurungabad; and Mr. Palmer assigned to me, as their reason for exceeding the call which had been made upon them, that they felt so strong upon the whole measure, as to be desirous that it should be scrutinized to the bottom.

Sir W. Rumbold was at that time in Calcutta; and hearing of the resolution of his partners, to lay before Government the accounts of the House at Aurungabad, he protested, as a member of the firm, against the principle of a mercantile establishment being required to surrender its accounts. He was called before the Governor-General in Council, and examined on the subject; and in consequence of the objections urged by him, a despatch was written to me by the Secretary, apprising me that " The accounts, which " had been called for, were not now required; and that Government did " not propose to take cognizance of the arrangement." Before the Secretary's despatch reached Hyderabad, however, the accounts had been forwarded by me; they were detained in Calcutta upwards of a month; and after being circulated among the Members of Government, were sent back to Hyderabad.

To repay the two lacs of rupees, which Messrs. W. Palmer and Co. were to issue monthly to the troops, the minister was to give them, annually, assignments for thirty lacs; the difference of six lacs being intended to meet the deficiencies which invariably occur in realising orders on the revenue. In point of fact, it appeared by the accounts laid before Government, that Messrs. W. Palmer and Co. in the first year, did realise only twenty-three lacs out of the thirty. On the advances made by the House, it appeared by the same accounts, that they charged one and a half per cent. a month for interest, and a half per cent. for agency and commission; altogether two per cent. a month for charges of every description. On the other side of the account, the same two per cent. was allowed on all sums received by the House; so that the actual charge was only on the balance. If, therefore, the Minister had but fulfilled his part of the contract, and his assignments had been paid as they became due, not only would the transaction have been

unattended with any charge to him, or any profit to the House; but the House would have had to bear the whole expense of the establishment, and to pay the Minister interest on the balance, which would then have been in his favour. In considering these accounts, it is essential to observe, that the interest, if the whole two per cent. is to be called interest, was the sole and only charge. There was no charge for agency, or commission, nor any additional charge under any other head whatever. Separate charges of this kind are an important feature in every merchant's accounts; and if they are to be arbitrarily and indiscriminately rejected, and the whole of them resolved into the charge of interest, it necessarily follows, that the interest charged in every account made out by every merchant in England is usurious. The rate also, to be estimated fairly, must be compared, not with the rates of interest in other countries, but with other rates in the same country. In England, the legal rate of interest is five per cent. In the English possessions in India, by the law of England, it is twelve per cent. The Government at Hyderabad is Mahometan. The people are partly Mahometans, and partly Hindoos; and as far as they can be said to observe any law, the two classes profess to be guided by their respective codes.* By the Hindoo law, the rate of interest varies with the caste of the borrower, and the circumstances of the loan. The lowest rate mentioned by Menu is fifteen per cent, and the highest sixty per cent. per annum.† By the Mahometan law the prohibition of usury was adopted from the Jewish, but with this modification: the Jews are forbidden to take interest among themselves only;‡ the Mahometans are forbidden to take it from any body.§ This prohibition has not had the effect of making the Jews singularly conspicuous for the moderation of their pecuniary dealings. Among the Mahometans in India it is utterly inoperative. They require to be paid for the wear and tear of their conscience, as well as for the use of their money. Practically, therefore, there is no limitation on the rate of interest at Hyderabad. Prohibitions and restrictions, where they are impolitic or unjust, serve only to defeat their own ends. Even in England, the impolicy of the usury laws seems now to be almost universally acknowledged. The assize of money is following the assize of bread. But if our law originally allowed more than double the rate of interest, which is legal in England, to be taken in the English possessions in India, where there are English laws, and courts, and judges, and all the securities with which property is invested in England, how could it prohibit a further increase, in passing to a country, where there are no laws, or courts, or judges, of any kind, and no security for debts, but the strength of the lender, or the good faith of the borrower? Where money is abundant, security good, and laws effective and impartial, the rate of interest will be low. Under the reverse of those conditions, it will, of necessity, be high. Upon what principle, therefore, can the English law attempt to fix the rate of interest in a foreign country, where it has no power or pretension to affect any of the circumstances by which that rate must universally be regulated? The remedy, to do any good, must be applied, not to the symptom, but to the disease. In Bengal, I myself have bought the East India Company's twelve per cent. securities at a discount. At Hyderabad, the lowest rate paid by the Government was three per cent. a month, (interest in Indian countries being designated by the monthly, not the yearly rate;) and so low was the Nizam's credit, that even on those terms, the Minister was unable to raise any considerable sum.

This account of the condition of the money market at Hyderabad, is confirmed by the statement of a very intelligent gentleman of the name of Robison, who is perhaps personally known to some of the members of your Honorable Court. Mr. Robison himself conducted a mercantile concern at Hyderabad, before the establishment of Mr. Palmer's house; and from taste, as well as in the pursuit of his professional avocations, was in the habit

* Appendix, C. p. v.
† Institutes, ch. viii. sec. 140—142, p. 207.
‡ Deut. ch. 23, v. 19.
§ Sale's Koran, Vol. I. ch. ii. p. 49.

of applying an acute understanding to the investigation of subjects of this nature. Mr. Robison states "When (after having been some time at "Hyderabad, in charge of the house of Messrs. Colt, Baker, Hart, and Co.) "I became acquainted with the state of the money market, I found that the "ordinary rate of interest, on sums lent on bond to such of the Ameers * as "had the character of being punctual, was two per cent, per month. At the "same time those whose characters were not so high, or who proposed to "give payment by Tunkas† on their Jageers,‡ or Pergunnas,§ had to make "bargains with the Soucars,‖ according to the circumstances of their cases; "and generally paid considerably higher rates. When the Minister was "pressed for money, I believe the regular Soucars were seldom willing to "make advances on any terms; but the Gosains,¶ or Patans,** who had "particular modes of exacting payment, made bargains to furnish the sums "required, at a nominal rate of two or three per cent. per month. In such "cases, some proportion of the loan was advanced in goods (such as shawls, "kumkaubs,†† &c.) at exorbitant prices, often at two hundred per cent. on "the invoice. The repayment of the loan was made in Tunkas, which were "taken to the districts by the armed followers of the Patans, who, clothed "with the name of the Circar,‡‡ committed great excesses in collecting their "demands. They were sometimes resisted by the inhabitants, and lives "lost in the conflicts. This resistance was often made a ground of imposing "a fine by the Circar on the Aumildar,§§ who, in his turn, repaid himself by "a larger one on the Ryots‖‖. After the house of Messrs. W. Palmer "and Co. had been some time in business, the dealings of the Patans "gradually became confined to persons, whose character or circumstances "were such as to deter the Soucars from dealing with them. The whole of "my experience at Hyderabad leads me to believe, that the Minister could "not have been supplied with money from any other quarter than the house "of Messrs. W. Palmer and Co., on terms so favourable for himself or for "the districts; nor do I think it possible that he could have obtained such "extensive accommodation from any source whatever, within the Nizam's "dominions. I may add, that the regularity which was introduced into the "Minister's payments, by means of these transactions, must have been very "beneficial to the affairs of his government, as much larger charges would "uniformly be made against it, when payment was looked for in the ordi-"nary way of Tunkas, than when it was expected to be obtained through "an order on Messrs. Palmer's house. I am aware that Soucars lent money "to one another at one per cent. per month, when there was no risk or "expence of collection; but I never heard of their lending to other persons "at that rate."

It appears, therefore, by Mr. Robison's statement; 1st. That the lowest rate of interest paid at Hyderabad, by persons of unexceptionable credit, was two per cent. a month. 2ndly. That the credit of the Nizam's Government was so low, that the Minister could not raise money from the native bankers on any terms. 3rdly. That he was consequently obliged to borrow from Gosains or Patans. 4thly. That loans made from them, were made upon terms, of which the following may be taken as an example. If the Minister proposed to borrow a lac of rupees, one half probably was paid to him in money, and the other half in goods, which he could not sell for more than 20,000 rupees. He actually received, therefore, only 70,000 rupees; but he had to repay a lac, and also to pay interest on the whole lac, at 3 per cent. a month; so that, on 70,000 rupees raised in this way, he paid a premium of 43 per cent., besides interest at upwards of 50 per cent. per annum. 5thly. That the method in which these loans were repaid, was generally productive of violence and bloodshed, and often of extraordinary extortions on

* Nobles. † Assignments. ‡ Estates. § Districts.
‖ Native bankers. ¶ A sect of Hindoos combining the professions of soldiers and merchants.
** A Mahometan race who are, throughout India, what the Jews are in Europe.
†† Gold and silver brocade. ‡‡ Government. §§ Manager of a district.
‖‖ Cultivators.

the inhabitants of the country. 6thly. That the establishment of the house of Messrs. W. Palmer and Co. entirely put a stop to these execrable transactions on the part of the Government; and confined the dealings of the Gosains and Patans to those persons only, whose characters and credit were so bad, that nobody else would deal with them. 7thly. That the terms on which the Minister borrowed money from Messrs. W. Palmer and Co. were more favourable than those on which he could have borrowed it from any body else; and finally, that the Minister's orders on Messrs. W. Palmer and Co. from the certainty and regularity of their payment, were of greater value than orders for the same amount of any other description.

This state of things was by no means confined to Hyderabad. In a greater or less degree, it prevails under every native Government in India. Sir J. Malcolm says, that in central India, the richest bankers mix in the petty revenue details of the smallest village; that on the seed which they supply to the cultivators, they claim by usage, in good seasons, fifty per cent.; and that on the advances made by them in kind, for the support of the families employed in husbandry, the interest is sometimes fifty, but more frequently twenty-five per cent. For money advanced to purchase bullocks, or implements of husbandry, he states the common charge of interest to be twenty-four per cent. per annum; which he adds, "is not immoderate, con-"sidering the risk incurred by the bankers."* In the Paishwah's territory, which had suffered much less than the Nizam's, from external violence or domestic distraction, Mr. Coats states, that the usual rate of interest was twenty-four per cent., but that, on small sums, it was often forty per cent. per annum.†

When the house of Messrs. W. Palmer and Co. was legally empowered by the Governor-General in Council, to lend money to the Nizam, the question of interest was distinctly considered. The Advocate-General was called upon by Government for his opinion‡; and he held that the law, limiting the rate of interest in India to twelve per cent., did not extend to Hyderabad, as a foreign territory.‡ The details of that opinion were not accessible to the public; but it was known and seen that the Government deemed it to be sufficient. The accounts, exhibiting the rate charged by the House at Aurungabad, were circulated among the members of Government, and remained upwards of a month under their inspection. It was obvious, therefore, to conclude, that in their deliberate judgment also, that rate was not objectionable. In point of fact, it is explicitly recorded in the deliberations in Council, that Government knew twenty-four per cent. to be the rate of interest charged by Messrs. W. Palmer and Co. in their transactions with the Nizam's Minister;§ and when the formal sanction was afterwards given by Government to the sixty lac loan, it was given under the declared knowledge that the interest to be charged by the House was to exceed twelve per cent. per annum. If the law of England had extended to Hyderabad, the House could not legally have lent money at all; for it allowed twelve per cent. interest to all its constituents on open account. To natives, when it required money on an emergency, it was, of course, obliged to pay more. I have heard, and I do not doubt the fact, that the House has paid as much as two per cent. a month.

In any foreign country of Europe, where property is as well secured as in England, a British subject may take as high interest as he can get; but if the Advocate-General were mistaken in his opinion, it would appear, that in foreign countries in India, where property is not secured at all, and where a British subject is not protected from paying interest at any rate that may be

* Memoir of Central India, 8vo. Ed. Vol. II. p. 38.
† Account of the Present State of the Township of Lony.—Trans. of the Literary Society of Bombay, Vol. III. p. 212.
‡ To Mr. Secretary Adam, 19th July, 1816.—Hyd. Papers, page 5.
§ Mr. Fendal's Minute, 7th July, 1820.—Hyd. Papers, page 49.

demanded of him, he is still restricted from receiving more than is legal by the law of England. I am aware of the obloquy which the bare names of usury and extortion are calculated to excite; but prejudice and clamour will never deter me from making assertions which I know to be true, and stating facts of which every body may judge. Usury is a municipal, not a moral offence. The partners of the House at Hyderabad were then only guilty of usury, in the fair acceptation of the term, if they took a higher rate of interest than the usage of the country allowed; they were then only guilty of extortion, if, by force, fraud, or other unfair means, they induced any person to pay them, on any account whatever, more than he himself believed to be justly due to them. How can unlearned individuals be deemed to have culpably transgressed a law, which is not founded on any moral obligation, and which even professional lawyers hold to be not applicable to their case? How can the Government now prohibit the House from realising, and its debtors from paying, any charge of interest exceeding twelve per cent., when the same Government formally sanctioned the transactions of the House, with the declared knowledge that the interest charged upon them did exceed that rate. In other words, with what justice can the Government now inflict irretrievable ruin upon the House, for doing that, which the legal advisers of that very Government held that it might lawfully do, and which the Government itself sanctioned its continuing to do? In that ruin is involved the fate of hundreds. How many families have their whole substance in the House? how many meritorious officers have lodged in it the accumulated savings of a long course of years? In what does their offence consist, and what penalty have they incurred? They confided, not blindly in the credit of the House, not culpably in a collusion with the partners; but soberly and legitimately in the public faith of the Government. They trusted that the Government, having encouraged them to deposit their money, by declaring one opinion, would not afterwards prevent their recovering it, by acting upon another.

The House is indeed told, that in the furtherance of its demands, it may apply for redress to the tribunals of justice at Hyderabad; and, on the same day, the Resident is directed to intimate to the Nizam's Government, and to the officer presiding in the court of justice, that the British Government considers all such transactions to be illegal, and that the securities are void. The real force of terms depends on the impression they are calculated to make upon those to whom they are addressed; and nobody who is acquainted with the natives of India, can have any doubt as to the sense in which such an intimation, proceeding from such a source, would be received and obeyed by them. Where such are the interests at stake; where the parties to be sued are the Government, and Ministers, and Nobles of the country; and where the parties suing are notoriously under the displeasure of the British Government; is it possible to refer them to any court of justice, under any native state in India? Even were it possible to indicate such a mode of redress at all, how could it be done after having virtually dictated to the court the decision that it is to give; after having told it that it is to decide, not according to any principle of universal justice, not according to the laws of its own Government, not according to the usages or practice of its own country; but according to a foreign arbitrary law, prescribed to it under the irresistible influence of a foreign power?

The arguments advanced in Council against the Aurungabad contract, were founded on the assumption, that the arrangement with Messrs. W. Palmer and Co. had been "pressed on the Minister with all the weight of the British "influence, in a manner not to be resisted." But that supposition is totally erroneous. It is evident from the context, that my "repeated repre-"sentations," mentioned in the passage quoted from my letter of the 31st December, 1818,* had reference, not to the arrangement concluded with Messrs. W. Palmer and Co., nor to any specific arrangement whatever, but

* Hyd. Papers, page 24.

merely to the necessity of providing for the regular payment of the troops, as a general principle. Any body who is familiar with the occurrences in the native Governments of India, knows, that the accumulation of arrears, and the methods resorted to by the troops to enforce payment, are among the most frequent and fertile sources of disorder and bloodshed. The annexed extracts from the reports which I received from Captain G. Sydenham on this subject,* shew that I had ample ground for my representations. In the arrangement with Messrs. W. Palmer and Co., no influence was used, for none was requisite. When I first mentioned it to the Minister, he embraced it eagerly; he himself opened a communication upon it with Messrs. W. Palmer and Co.; the measure was prepared, and concluded between them, without any interference on my part; and shortly afterwards, when Rajah Govind Buksh desired to have the payment of a portion of the troops restored to him, and Messrs. W. Palmer and Co. offered to relinquish, in his favour, the whole, or any part of the arrangement, the Minister rejected their offer, and insisted on holding them to the terms of their agreement.

Nobody, I presume, will dispute, that if the troops were to be maintained at all, it was necessary to provide for their being regularly paid. The only questions, therefore, that remained to be considered, were these two; was it important to our interests and those of the Nizam, that these particular troops should be maintained? and, could any better provision be made for their payment, than the contract entered into with Messrs. W. Palmer and Co.? To the former question, the events of the war which followed, furnish a strong practical answer in the affirmative. It has, however, been contended, that the introduction of the European system of tactics and discipline into the armies of the native states of India, is impolitic and injurious. This question has been argued, as it often happens, when local questions relative to one country are argued in another, with too much attention to speculative, and too little to practical considerations. It always appeared to me, that troops so constituted possess all the qualities which it is desirable that the troops of our native allies should possess. They cost us nothing: they are commanded by our own countrymen: they are the most useful to us, while the states they belong to are in amity with us: and, by merely withdrawing their English officers, we render them at once the least formidable, if those states become our enemies. When the oath of fidelity was tendered to a brigade of this description, raised by Major Ford, for the service of the Paishwah, the Sepoys refused to bind themselves by any oath to the Paishwah; but said they were willing to swear, that they would obey any orders which might be given to them by their English officers. With respect to the second question, I am still satisfied, as I was at the time, that not only no better, but no other effective provision, than that made through Messrs. W. Palmer and Co. could have been accomplished. Sir C. Metcalfe acknowledges that "since the termination of that contract, the

* "I have repeatedly had occasion to notice to you, in my private correspondence, the irregularity with which the Nizam's regular infantry and reformed horse in Berar are paid by Rajah Govind Buksh.* My remonstrances to the Rajah on this subject have been incessant, and are in fact repeated every month; but so far from causing punctuality in the payment of the troops, they appear to be losing their effect, from the frequency of their repetition, and to be productive of little else but constant discussion and altercation; of demands on one side, and of delays, evasions, and deceit on the other; which not only obstruct the progress of the public service, but cannot fail to affect the temper of my intercourse with the local government. The admonitions which the Rajah has received from yourself and the Minister, on the subject, have not been attended with the effect which might have been expected from them; and under these circumstances, it becomes necesary that some arrangement be immediately adopted, to remedy an evil which will increase with the increasing expences of the troops, and the declining resources of the government, and which cannot be suffered to exist, without serious detriment to the public interests.

"The payment of the contingent troops is a matter of such vital importance, that I would beg to suggest its being specially provided for by treaty, with due security against its failure; and an opportunity may soon occur for inserting an article in our engagements with the Nizam, expressly stipulating for the amount of his Highness's auxiliary force, and for the supply of funds for its payment."
—Captain G. Sydenham to Mr. Russell, 10th March, 1818.

* The Minister's brother, and Governor of Berar.

" troops have been ill paid, and in some instances reduced to great distress:" but he argues, that " the contract did not secure the regular payment of " the troops, in the event of delays in the payments of the Government; " and was therefore nugatory as to any benefit to the Government, and " nearly so as to the payment of the troops." For me, it is quite sufficient, that the troops were well paid while the contract with Messrs. W. Palmer and Co. lasted; that they were not well paid before it was made; and that they have not been well paid since it ceased. A time of war was not the season to play with fanciful schemes for the vital object of paying the troops. Had it been asserted that my measures failed of their effect, I should have combated the assertion as I could: but I take little heed of captious cavilling insinuations, when the peril is over, that the same result might possibly have been attained by other means.

It would almost seem, by some of the expressions used in the correspondence from Bengal, as if the sufferings and distresses of the Nizam's country had been occasioned by the Minister's dealings with Messrs. W. Palmer and Co.; or that, at least, the investigation of those dealings had now first made them known. Before any of the partners of that firm were born, the Nizam's Government was in a condition tending rapidly to decay.* The despatches of your Residents, for years, were full of complaints of the vices of his administration, and the disorders of his country. My predecessor, Captain T. Sydenham, in a despatch to the Earl of Minto, written in 1810, stated his conviction, that " during the reign of the present Nizam, no " improvement could be expected, unless the administration of the country " were placed under the controul of the Resident; that the disorders of " the present Government were too deeply rooted, and too widely extended, " to admit of any partial reform; and that it was, therefore, unfortunate, " that the only effectual remedy that could be applied, should be so much at " variance with our views and policy." From the time that I took charge of the Residency in 1811, I repeatedly and earnestly called the attention of Government to this subject:† and I had been at Hyderabad only a month, when, after exhibiting a statement of the Nizam's public income and expenditure, I described " the whole of the country to be in so lamentable a con- " dition, that it could not long continue to endure the extortions which were " practised upon it by the avarice and rapacity of its governors."‡

In the month of June 1815, the Marquis of Hastings called upon the different Residents, to give him, confidentially, their opinion on the measures to be pursued for the suppression of the Pindarrees; on our political and military position with reference to other powers; and on the expediency of a general revision of our various treaties with the substantive states of India. In my answer to his Lordship, after disposing of the particular points on which he had consulted me, I availed myself of the opportunity to describe, in greater detail than I had before had occasion to do, the evils which pervaded every branch of the Nizam's Government; and I suggested, that when the accomplishment of the projects we then entertained should leave us sufficiently at leisure, some attention should be given to the state of his affairs, and some method devised for their improvement. I pointed out the degree in which those evils were the consequence of his alliance with us, and the degrading influence which such a state of dependance must necessarily have on the character and conduct, both of the Prince and of his Ministers. " All the func- " tions of business," I stated, " have been absorbed into the hands of the " Minister; and even his office is no longer the honorable station that it " was. Neither his talents nor his industry have an open field to act in. " They are confined by restrictions. The qualities which would suit the " Minister of a free Government, are of too bold, and manly, and patriotic a " character, to suit the Minister of a subordinate and dependant power. A " Prince, be his natural disposition what it may, cannot be virtuous or re-

* Appendix D. page vi. † Appendix, Passim.
‡ Mr. Russell to Vice President in Council, 21st May, 1811.

" spectable when he has no longer any thing to hope or fear, either from his " own subjects, or from foreign enemies; and the best man in the world " would in time become a bad Minister, if his power were left, after his re- " sponsibility was taken away."*

I renewed the subject in the following year;† and, at the close of the war it was resumed, with a declared intention, on the part of the Marquess of Hastings, to enter on a comprehensive system of reform. The successful issue of the contest, to which the fidelity and exertions of Chundoo Loll, together with his liberal and judicious application of his resources, had essentially contributed; and the consolidation of his authority by the military establishment which he had formed at so much expence, had removed many of the impediments by which our views at Hyderabad had before been obstructed. The same dangers no longer existed, either at home or abroad. We were then enabled to meet the complicated disorders which prevailed, without the invidious employment of our own troops; and to undertake, with a reasonable prospect of success, the correction of evils which it had never before been thought practicable to encounter. I annex to this letter some of the principal passages of the reports to which I have referred. Is it possible for any body who reads them, to suppose that the Government, to which those reports were addressed, was kept in ignorance of the real condition of the Nizam's Government and Country?

I protest, therefore, against being held in the most remote degree responsible for the disorders of a Government, with which, not only I was not empowered to interfere, but with which I was prohibited from interfering. It was a fundamental rule of your policy, repeatedly insisted on in the orders, both of your Honourable Court and of your Governments in India, to abstain from all interference in the internal concerns of our native allies. I was employed at Hyderabad, from first to last, upwards of twenty years; and I affirm, that during the whole of that time, no influence or interference was exercised by the Resident in the domestic affairs of the Nizam's Government. In questions of foreign policy, in measures affecting the safety of the Government, and generally in matters in which our own interests, or the common interests of the alliance were involved, we always did, and always must exercise that influence, which essentially belongs to the relative condition of a protecting and a protected state. But in the management of his country, the collection and distribution of his revenues, the control of his local officers, and the command, payment, and employment of his whole army, with the exception of that part to which English officers were attached, no influence whatever was exerted by the Resident; and the Nizam's Government was as much an independent state as if the alliance with us had not existed. The suggestion that we should interfere for the purpose of reform, originated with me. I first recommended the measure, and urged the adoption of it as a duty incumbent upon our own Government. " In some degree," I stated, " the " weakness and disorders of the Nizam's Government are the necessary con- " sequences of his political condition. An alliance with us, upon the subsi- " diary system, however it may contribute to the advancement of our own " power, leads inevitably to the ultimate destruction of the state which em- " braces it. Diversities of national character and political situation will " affect the manner and period of its action, but cannot prevent the result " itself. The Mahometans have survived the Mahrattahs. The Nizam is " dying comatose, while the Paishwah has expired in convulsions; but the " destiny of both originated in the same cause, and necessarily tended to the " same termination. If we owe the foundation of our empire in this " country to the weakness in which we found the native powers, we ought not " to complain of the evils which that weakness necessarily produces. If we " have reaped the benefit, we must submit to witness the inconveniences

* Mr. Russell to the Marquis of Hastings, 30th June, 1815.—Appendix, B. page II.
† Ditto to ditto, March, 1816.—Appendix, C. page IV.

" which are its inseparable attendants. Yet evils may be palliated, though " they cannot be radically cured. The crisis may be retarded, though it " cannot be altogether averted. And if it be true, that a part of the mis- " chief has arisen from the predominance of our power, it is, for that reason, " the more incumbent upon us that we should endeavour to apply the " remedy."*

My first project was to make an experimental attempt in some one district; in the Doab, or in Berar; by prevailing on the Minister to employ a single experienced English officer to watch over the Nizam's local servants, and superintend their administration, on the same system as that introduced by Sir Thomas Munro into the ceded districts, which is, in fact, the original system of the country, purged of its vices, and secured against the corruption and abuses of uncontrolled native agents. By the effect of this experiment, I hoped to exhibit, under the view of the Nizam and his subjects, a practical proof of the advantages of their own institutions, when well administered; but the proposition, I found, would not be acceded to by our own Government. Sir C. Metcalfe, who was then Secretary at Calcutta, suggested, in a letter to me on the subject, that I should " offer to bring about amelioration, by " advice and influence;" adding " a more immediate interference in the " management of the country would not, I think, be sanctioned. I mean " by the employment of European agents." My object was to promote, not the best possible, but the best practicable plan; and therefore, instead of adhering to a scheme which I saw would be rejected, I pursued that method which seemed to be most consonant with the character and circumstances of our policy at the time. Any project which might be devised for the reform of the Nizam's affairs, required to be maturely considered, not only in its immediate effects, but in its remote consequences. Of different projects, equal among themselves in point of efficiency, that was undoubtedly entitled to the preference, which should encroach the least upon the authority and privileges of his government, and afford the prospect of maintaining even its nominal independence for the longest period. Whatever the nature of the remedy might be, I always thought, that even if it were superintended by us, it ought still to be administered through the agents and institutions of the country. On this principle I drew up my report to the Marquess of Hastings, of the 24th of November, 1819;† in which, after describing the origin and nature of the disorders, I suggested, as the leading features of a plan of reform; That whatever control our Government might resolve to exercise, should be applied through the medium of advice and influence, and not by the direct exertion of authority; that we should enlarge the sphere, rather than increase the degree of our interference; exerting the same influence in correcting the abuses of the internal administration, that we already applied to objects immediately connected with our own interests: That we should improve and direct the implements of the country, and not introduce agents or regulations of our own: That we should continue to support Chundoo Loll, disclosing to him the object of our views, and telling him what we expected from him, and what he might expect from us; That we should urge him to reduce unnecessary troops and establishments, to retrench all superfluous expences, and introduce a general system of economy; to employ only those managers of districts who bore a good character, and systematically to exclude those who were notoriously rapacious or oppressive; to give them their districts in *Amaunee*, not in *Ijarah;* that is to say, to make them collectors, not farmers of the revenue; to take care that all engagements between the local officers and the inhabitants of their districts were held sacred, and that every breach of faith on the part of the former, was severely and summarily punished; to make effectual provision for securing the local officers from exaction on the part of the Government, and the inhabitants from exaction on the part of the

* Mr. Russell to the Marquis of Hastings, 24th November, 1819.—Appendix, D. page viii.
† Appendix, D. page vi.

officers; and, finally, to revive the old tribunals of the country which had fallen into disuse, to restore the judicial officers efficiently to their functions, to provide for the prompt redress of grievances, and to give a general facility to the preferring of complaints.

This plan was approved of by Government; and in the month of February, 1820, I received authority to carry it into effect. On the 1st of September, I reported the preliminary steps which had been taken, and closed my report with the following passage: "I have confined my advice to the Minister, on "every occasion, to the correction of abuses, and have been careful to avoid "recommending any measure in the shape of innovation. We have not "done justice, in our own system, to the original institutions of the country. "As strangers, we have been hasty in condemning what we did not under-"stand, and have often defeated the best intentions, by enforcing our own "arbitrary rules and methods, to the exclusion of those, which have grown "out of the circumstances of the people, and are intimately blended with "their manners and opinions."

On the 1st of December, in the same year, I quitted Hyderabad. As much, I thought, had already been done, as could have been expected in the short space of nine months. It could not be supposed that the full effect of any system would become immediately apparent. The process of correction and improvement is gradual in its nature. Inveterate disorders are not to be extirpated by a single effort; nor are people who have grown grey in the practice or endurance of abuses to be cured at once of their pernicious habits. Sir C. Metcalfe himself admits, that he would "have been better pleased "with some of my remedies than with his own, if they had been efficacious; "but as they had failed after experiment, and as the faithlessness of the "Minister's character had been further developed, by the actual counter-"action and annulment of the arrangements to which he had assented, mea-"sures of greater security, though strictly confined to the same object, had "become necessary." Still, those remedies were not to be abandoned by me without trial. My first attempt was an experiment to ascertain with how small a degree of interference our end could be accomplished; and a greater degree was not to be exercised, until the smaller had been fairly tried, and had unquestionably failed. Even if I had met with more impedi-ments than I expected, I would still have pursued the principle with which I began; and I would have endured every disappointment, short of absolute irremediable failure, rather than resort to the arbitrary measure of supplant-ing the Nizam's own authority, placing his districts under the control of English officers, and substantially usurping the authority of his govern-ment. Before that summary and compendious process, all partial and par-ticular abuses will unquestionably fall; but such a measure is destructive of all that it is important to preserve, as well as of much that it is desirable to remove. It is revolution, not reform; and, in the end, will subvert the Nizam's Government as effectually as if he had at once been formally de-posed. There remain but few steps to the open assumption of the country for ourselves; and although such were not the design, such will be the infal-lible consequence of the measure. An authority once established by us, of this kind, and to this extent, can never be withdrawn. By degrees, our whole system will follow in its train. The first step makes the last inevitable. Such a result is to be deprecated, as much on our own account as on the Nizam's. Our power in India tends naturally to extension; and we ought to do every thing we can to retard its progress. As a question of political expediency, no less than of moral justice, we do wrong to enlarge our pos-sessions. We have nothing serious to dread from foreign enemies. The real peril is within. In every addition that we make to our own territory and sub-jects, we enlarge the sphere of danger. In every native state that we de-stroy, we cut off an outlet for those turbulent spirits which abound in the military classes of India, and which cannot endure the restraints of a regu-lated government like ours. Our empire in India will hardly form an excep-tion to the fate of all previous empires, founded upon foreign conquest or

usurpation. It cannot remain stationary. When it ceases to advance, it will begin to decline. Every approach to the summit is an approach to the declivity beyond it. Our wisest policy is to uphold the native governments as long as we can. By sustaining them we sustain ourselves. We may correct their abuses, but we ought not to incur the hazard of impairing their institutions. The cardinal vice of our own system in India has been the indiscriminate rejection of the institutions of the country, and the indiscriminate substitution of our own. The Mahometans, with all their bigotted attachment to their own code and customs, saw the necessity of assimilating themselves with the natives of their new dominions. They adopted much that they found; their government is administered, in most of its branches, upon the Hindoo scheme; and even their religious observances are deeply tinctured with the ceremonies and superstitions of the Hindoo system. Nor is it true, that our Government has even the merit of popularity among our native subjects. They have the same predilections that all the rest of mankind have. They like to be governed by persons professing the same religion, talking the same language, and observing the same customs as themselves; and naturally prefer a rude system, the growth of their native soil, to the most finished scheme of Government, constructed upon a foreign model, and administered by foreign hands. There is no question that our regulations were framed with the most sedulous care, and the most benevolent intentions. The error was in the principle; in rejecting the homely benefits which were under our hands, in search of speculative and distant good. We made no allowance for diversities of religion, manners, and opinions; and hastily concluded, that the institutions which suited us, would therefore suit all other people. But our laws and usages, our notions and forms of justice, are no more adapted to the state of society in India, than our houses and garments are to the climate. The consequence has been, that our system, in spite of the ability and zeal with which it is administered, has done more extensive and irreparable injury than the worst abuse of the worst native Government of the country. What has become, in our own territory, of the upper classes of society? They have not only been reduced, but utterly destroyed; not a vestige of them remains: nor can any other instance, I believe, be found, of a revolution like that which has taken place, within a very short period, in the landed property in our Indian possessions. Under the native Governments the large landed proprietors resort to rebellion as their prescriptive refuge from oppression; and failing in their resistance, they are seized, fined, and imprisoned. The punishment, however, is limited to the person of the offender. Where we confiscate and sell an estate, the Nizam seizes the proprietor; but his lands remain, and his title to them is unimpaired. An act of sudden violence may be repaired, and is repaired, every day; but for the decrees of our tribunals there is no remedy. A proprietor once ejected is ejected for ever. Amidst all the outrage and oppression of a native Government, a strong respect prevails for ancient hereditary claims. The convulsions and changes of Government which have taken place during the last century at Hyderabad, have produced little effect on the state of landed property. A title is not much valued that is less than a hundred years old. But in our own territory, how few estates are now in the families which possessed them, when our present system was established? A party of the Nizam's subjects, and a party of our own, at a village near the frontier, were conversing on their respective situations, in the presence of a gentleman who repeated the conversation to me. The Nizam's subjects admitted the various grievances under which they laboured, but found a compensation for them all in their freedom from the jurisdiction of our Zilla Courts. "What justice we get," they said, "we "get for ourselves; but at least our enemies cannot ruin us by summoning "us as witnesses in their cause, and keeping us, season after season, waiting "upon the delays of your Courts, while our fields are lying waste, and our "families are starving at home." It is the great misfortune of our landed settlement, that though made in a hurry, it was made in perpetuity. What has been done cannot be corrected: but the effects we have witnessed ought to deter us from taking any step likely to give extension to the mischief.

That scheme of reform was the best for the Nizam's interests, which was the least calculated to disturb the institutions and administration of his country: and for our own interests, that was the best, which would have retarded, for the longest period, the necessity of taking possession of his territory for ourselves.

I recommended Rajah Chundoo Loll for the conduct of the reform, because he was already Minister, and because I thought him fitter for the task than any other person. He was not a minister of my selection, nor had I any share in bringing him into office. The administration, of which he is the head, was formed in the time of my predecessor, Captain T. Sydenham, during the Government of the Earl of Minto. When I took charge of the Residency, I found him in full possession of the functions of Government. His attachment to our interests was the quality for which he was chosen. Under adverse, as well as under prosperous circumstances, he has steadily fulfilled the expectations which were formed of him; and it does not follow, that because he was the best Minister for our interests, he was therefore the worst for the Nizam's. In many respects, he best consulted his master's interests, by adhering to our cause; and even in the internal management of his own country, if he was not the best Minister that could be desired, he was the best that could be procured. Sir C. Metcalfe admits, that he "does not know "what other man could be selected as a fit Minister. On whomever the "choice might fall, he might be as unprincipled and oppressive as Chundoo "Loll;" whom, in another place, he describes as "strongly attached to our "interests, and unequalled at the Court in capacity." And what more can be said of any man, than that he is superior to the rest of his countrymen in many essential qualities, and not inferior to them in any? It is not true that the disorders in the Nizam's affairs have been produced by the mal-administration of Chundoo Loll. He found the Government, when he came into office, over-run with vices and abuses, and sinking rapidly to decay.* Captain T. Sydenham's account of the disorders of the Nizam's Government, which I have already cited, was written only a few months after Chundoo Loll came into office. In such a state of things, his system was necessarily one of shifts and expedients; and all that he could hope to do, was to provide for emergencies as they arose, and put off the evil day as long as possible. Even if he had had the desire, he never had the means of accomplishing a reform. I speak of him as he is, not as he might have been. I always thought him weak, timid, and improvident; but if he is tyrannical, or unrelenting, or remorseless, or deserves half the opprobrious terms that have lately been applied to him, I can only say that he must be utterly changed since I knew him. If he is to be measured by the standard of Europe, he will certainly be found deficient in many essential qualities; in energy, firmness, foresight, and true wisdom, according to our acceptation of the terms; but he has nothing to fear from a comparison, in any respect, with the best of those, who have had the same advantages and disadvantages of education, habit, and example, as himself. With them only we are entitled to compare him; and if we have not found in him qualities, which we had no right to expect, it is our own fault if we are disappointed. It would be absurd to look among the slaves of an Indian despot for those virtues which are the exclusive growth of a free and enlightened country. If those virtues had prevailed in India, in what would our own superiority have consisted; and by what means could we have acquired the ascendancy which we now possess? We owe it, not to our physical strength, nor to our numbers, nor even to our superior courage; but to the vices and ignorance of those with whom we had to contend; to their incomparable inferiority in all moral and intellectual qualities. After taking advantage of the misrule of our neighbours, to acquire a power, at which, without it, we never could have aspired, how can we now turn that very misrule into a charge against them? From the position to which their vices and weakness alone have enabled us to ascend, with what justice can we look down on the Nizam's Ministers, and reproach them with the very defects to which we owe

* Appendix, D p. VII.

our elevation? Is there no other country still nearer home, and still more closely bound to us than the Nizam's, in which similar disorders prevail? and has it ever been attempted to lay the blame of those disorders at the door of any single Minister, or to maintain that a few months have, at any time, been sufficient for their correction?

Chundoo Loll is described by Sir C. Metcalfe as a *subordinate* Minister, *lording it* over his principal, and his Sovereign, and exercising an unlimited and uncontrouled authority over that Sovereign's territory. In his personal demeanor, Chundoo Loll never lorded it over any human being. Of all men I ever knew, he is one of the humblest and most unassuming. Throughout the whole course of his administration, he cannot be charged with having departed, in any instance, from the utmost degree of respect that was due from him to the Nizam, or to Mooneer ool Moolk, or any other person, be his relative situation what it may. That he has exercised the entire authority of Government, while Mooneer ool Moolk held in name only the office of chief Minister, has not proceeded from the arrogance or ambition of his character. When the present administration was formed at Hyderabad, it was determined by the Nizam, in concert with our own Government, that the functions of office should be vested exclusively in Chundoo Loll, under the designation of *Paishcar*, or deputy Minister, which office he had held under Meer Allum; and that Mooneer ool Moolk should have the name only of *Dewan*, or chief Minister, and should be precluded from exercising any sort of interference in the business of the Government. This was the basis on which the Ministry was formed: it was prescribed by the Nizam himself: written engagements to maintain it, were taken by him from Mooneer ool Moolk, and Chundoo Loll, under their respective seals; and Captain T. Sydenham, who was then Resident, was required by the Nizam, in public durbar, to authenticate those engagements with his official signature. Your Honorable Court will find all the details relative to this arrangement, together with the engagements entered into by Mooneer ool Moolk and Chundoo Loll, in Captain Sydenham's despatches written in the early part of 1809; and you will see the view subsequently taken by your own Government of the relative situation of Mooneer ool Moolk and Chundoo Loll, in the letters addressed by the Earl of Minto to he Nizam and Mooneer ool Moolk, on the 20th September, 1810, on the occasion of an attempt made by Mooneer ool Moolk to transgress the limit which had been prescribed to him.* How then can Chundoo Loll be said to be a

* "It is well known to you, that on the decease of your most respected and lamented predecessor, Meer Allum, his Highness, in the true spirit of the subsisting alliance, consulted the British Government respecting the selection of a successor. His Highness well knew that the British Government had no other object in view but the prosperity of the state of Hyderabad, and the maintenance of the alliance in the true spirit of its formation; two things in their nature inseparable: and aware that the accomplishment of these ends essentially depended upon the proper selection of a minister, his Highness justly considered that the British Government had a direct interest in the measure, and should therefore be united with him in the choice of a person duly qualified for that important office; and accordingly, it was not until after his Highness had obtained the concurrence of this Government, that he was pleased to appoint you to that situation, under certain specific engagements, however, which you delivered in writing, in the presence of his Highness and of the British Resident.

"On that occasion you engaged, as the condition on which you received your appointment, to pay such constant attention to the promotion of the friendship established between the two states, that it should remain unaltered and permanent, and even that it should from day to day be increased, and rendered more perfect, and to preserve unchanged the system of conducting the affairs of the state, through the agency of Rajah Chundoo Loll, which had subsisted since the death of the late Meer Abool Cassim.†

"I refer to these transactions with a view to shew the positive obligation imposed by the very nature of them upon the British Government, to unite with his Highness in securing the efficiency and permanency of the system thus solemnly established, and consequently to notice every appearance of a deviation from it.

"The spirit of the engagements above cited evidently requires not only that you should abstain from giving countenance, directly or indirectly, to any persons who may endeavour to instil into his Highness's mind suspicions disadvantageous to the tried fidelity of Rajah Chundoo Loll, but that you should strenuously and cordially support him against the malevolent insinuations of interested persons. To this system of conduct, indeed, you will recollect that you solemnly and specifically bound yourself at the time when you were soliciting the appointment of Minister; having called upon Rajah

† Meer Allum.

subordinate Minister, when he was formally and solemnly invested by his own Sovereign with the entire authority of Government? and how can he be said to have *lorded it over his principal*, when he has exercised those functions only, which were confided exclusively to his hands, and with which it was originally provided, that his principal (if principal he can be called) should not in any way interfere?

I am not aware, that the authority of Chundoo Loll has been more unlimited or uncontrouled than the authority of every Minister necessarily must be, under a Government constituted as all the native Governments of India are, and with a prince of a character like the Nizam's. Such an authority is always to be deprecated, to whatever hands confided. I have already cited a passage from a paper submitted by me to the Governor-General, nine years ago, in which I expressly pointed out the danger of placing large power in the hands of an irresponsible Minister.* But it was more easy to discern the evil than to correct it. Chundoo Loll's authority could have been controlled only by the Nizam, or by us. The account which has been given of the Nizam by all your Governors, and all your Residents; the view which has been uniformly taken of his character by every one who has had any intercourse or connexion with him, must have satisfied your Honorable Court of his utter incompetence to superintend the affairs of his Government, with safety either to your interests or his own. Various attempts have been made by various persons to conciliate, and encourage, and draw him forth. Sir C. Metcalfe, when he first went to Hyderabad, tried, as all his predecessors had done, to cultivate a personal intercourse with the Nizam; but no experiment of the kind has ever yet succeeded, or ever will succeed, unless his natural temperament undergoes a total change. The gloom which hangs over him, the suspicions by which he is constantly beset, are the effect of constitution, not of accident; a lucid interval may sometimes occur, but it will be only temporary; and he will always relapse into the same sullen torpor and jealous seclusion. By us, Chundoo Loll's authority might unquestionably have been controlled, as a weaker power may always be controlled by a stronger; if it had accorded with our views to interfere for that purpose, and to that extent. But the Nizam's Government has hitherto been considered as an independent State. Your Honorable Court has uniformly deprecated interference in the domestic concerns of your native allies; and the principal object which your Government had in view, at the time that Chundoo Loll was brought into his present office, was to induce Nizam to frame such an administration as should be capable of conducting the affairs of his Government, with the smallest possible degree of interference on our part. We could not, therefore, have exercised that sort of interference in the Nizam's internal affairs, which alone would have been efficacious for the control of his Minister (be that Minister who he might), without depriving him of the very name of independence, and utterly subverting the principles by which we have invariably professed to regulate our relations towards the native States of India.

I have said more than I otherwise should have done, respecting the nature and extent of the interference which it was desirable that we should exercise, for the purpose of reforming the Nizam's affairs, or controlling his Minister, because that question materially affects the credit of my measures, and because the decision of it will continue to be felt in its remote consequences, long after all the other topics of dispute, and all the angry feelings from which they sprang, have been forgotten.

Chundoo Loll privately at night, and assured him that his authority and influence should not suffer, in the event of your nomination; swearing upon the Koran, and the head of your son Abdoollah, that you looked upon Chundoo Loll as your brother; that you would repose in him implicit confidence; that you would do nothing without his advice and approbation, and that you would give the Rajah entire authority in the administration of the country."—Earl of Minto to Mooneer ool Moolk, 20th September, 1810.

* Page 12.

It was towards the end of 1819, while the correspondence respecting the proposed reform was going on, that Mr. Jefferys, who is now surgeon to the Residency at Hyderabad, told me that he had been requested by Mr. Palmer to communicate some papers to me for my perusal; but that, before he did so, he thought it right to mention, that he had himself read the papers, and that they contained a project for a loan to the Nizam's Government, for the purpose of assisting the Minister in the measures of reform, which he was then concerting with us. As it was evident, however, that the project, in the mode in which it was described to me, would have involved a responsibility on the part of the Company's Government, I rejected it, and did not even read the papers, which were consequently returned to Mr. Palmer.

In the beginning of 1820, the project was revived; the Minister alleging that he could not pay off the arrears of the establishments which he intended to reduce, or relieve himself from a number of incumbrances by which he was embarrassed, without a command of money. The House was willing to negociate the loan, but required the sanction of the British Government for its security. There could be no doubt that the money, if applied by the Minister as he promised to apply it, would be productive of great utility; but so satisfied was I that our Government would not give the sanction which was required by the House, that I refused even to forward the proposition to Calcutta. Government had already empowered the House generally to make loans to the Nizam. The Minister, if his affairs required it, might borrow; and the House, if it chose, might lend; but I did not think that either party was entitled to expect, that any further interference would be exercised by our Government on their behalf. The House, upon this, receded from the condition of a direct sanction; and expressed its willingness to make the loan, upon being merely assured that the Resident would protect it, as far as he could, from being defrauded. The subject was repeatedly urged upon me by the Minister. His final proposition must have been sent to me on the 1st of May; for I find, among my papers, a copy of a note written by me to Sir W. Rumbold, on that day, in which I say, "I have "just received the Minister's letter, which he appears to me to have altered "in the most essential particular, on the ground of a letter from the House, "which I had not seen before, and which stipulates for the *sanction* of the "Resident. He now proposes that I should *call upon* the House to make the "loan; a step which I should at no time have had authority to take, "and which would now be a direct violation of the orders of Government." I have not preserved the answer to this note; but it must have disclaimed any expectation of such a *call* or *sanction* as that above referred to; for I find a note written to Mr. Palmer, on the following day, in these terms. "The "Minister has communicated to me his correspondence with your House "regarding the loan which he wishes you to negociate for him. I have "told him, in answer, that I am well aware he will be unable to accomplish "the objects which have been required of him, without the command of "money; and therefore, the purpose of the loan being one of public utility, "intimately connected with the object of reforming the Nizam's affairs, you "may be assured, that if you are induced to negociate it for him, I will "give you my support and assistance, to the utmost extent that my instruc-"tions will admit of my doing."

With this assurance the House was satisfied; the condition of the sanction was withdrawn, and payments were made to the Minister without it. Here, then, as far as I was concerned, the subject of the loan terminated; and my share in the transaction amounted to this; that I had refused to communicate the Minister's original proposition to Government; that I had forced the House to abandon its project of a sanction; and that I had obliged it, if it made the loan at all, to make it with only that support and assistance from the Resident, which Government had already empowered him to afford. The loan, therefore, if it had remained where I left it, would have involved no sanction on the part of Government, and would have stood upon the same footing precisely, as any other previous transaction between the House and the Minister.

This fact it is essential to observe: for it has since been alleged, that, from the first, no loan was really intended to be made; and that the scheme was merely an expedient, on the part of the House, to obtain the direct sanction of the British Government to its large and unsanctioned balances. If this were the case, how came the House to consent to make the loan without the sanction; to give up the very essence of its project; to abandon the substance for the shadow? And how is it possible to reconcile this fact with the assertion, that the loan was altogether a fictitious pretext, and the sanction the real and sole object of the proposition?

But it appeared that while these discussions were going on at Hyderabad, the partners of the House had sent copies of the papers respecting the loan to Calcutta, where they were communicated to the Members of Government; for, some days after the foregoing notes were written, Sir W. Rumbold shewed me a letter from the Marquess of Hastings to Mr. J. Palmer, of Calcutta, in which his Lordship expressed his surprise, that I should have hesitated to lay the proposition before Government. The letter stated, that his Lordship would have written sooner to Mr. J. Palmer on the subject, but that the papers had only just been returned by Mr. Adam, to whom his Lordship had communicated them. I cannot pretend, at this distance of time, to recal the whole of the expressions of the letter; but it distinctly conveyed a desire that the papers should be laid officially before Government. The partners of the house of course preferred the sanction, which they now saw Government was disposed to give, to the limited assurance of the Resident's protection; and they accordingly renewed their desire, in conjunction with the Minister, that the proposition should be transmitted to Calcutta. It was for the Members of Government, and not for me to determine, whether they should or should not give the sanction which had been required. The act was one which belonged exclusively to their authority; and although I had refused to forward the papers, while I thought the application they contained would be rejected, it would have been presumptuous in me to intercept a proposition, which the Members of Government were disposed to entertain, and to withhold from them the opportunity they desired, of exercising their own judgment, and expressing their own determination. Before I did forward the papers, however, I took the precaution of requiring the partners of the House to define, in writing, the nature and extent of the sanction which they required. In their answer they stated, "By the sanction we require from the Resident, we do not mean to imply any security, "by which the British Government would be responsible for the money we "should lend to the Minister. All we require is, the certainty that the Resident will use his influence to prevent our being defrauded, or any misappropriation made of the revenues of the Talookas on which we are to have "assignments. We shall never require that influence to be exerted beyond "the point to which the Resident can go, without making it a subject of "discussion between our Government and his Highness the Nizam's." With this declaration from the House, I forwarded the papers to Calcutta, on the 19th May, 1820.

The Minister, in his letter to me, which is the first in the series of papers, mentions "sixty lacs more or less," as the sum which he proposed to borrow; and he states, that "sixteen lacs will be appropriated, for about six "years, to discharge the principal and interest of the loan." In a letter from the Minister to the House, which is also among the papers, he states that the debt which he already owed to the House was to be covered by the new loan. Indeed, the loan being raised for the express purpose of paying off the previous debts of the Government, it would have been unreasonable that Messrs. W. Palmer and Co. merely because they were the contractors for the loan, should be excluded from the benefit designed for the public creditors at large.

The only passage in my despatch, which relates to the merits of the loan, is the following: "It will be extremely difficult for the Minister to prosecute

" his measures of reform, with any real effect, unless he can obtain a sum of " ready money for the purposes described by him; and he certainly cannot " obtain it by any other means than the assistance of Messrs. W. Palmer and Co., " whose circumstances enable them to secure a combination of the native " monied interest. I therefore beg leave to submit the Minister's request to " the favourable consideration of Government." Your Honorable Court also has expressed, in still stronger terms, the same opinion as to the Minister's inability to accomplish the reductions which were proposed, without the command of extraordinary resources.*

The Secretary's answer to my despatch, is dated the 15th July, and states, " The Governor-General in Council authorises you to sanction the loan of " sixty lacs of rupees, which the Nizam's Government proposes to obtain " from the house of W. Palmer and Co. The terms of the loan are not men- " tioned in your despatch; but his lordship understands, that an assignment " of sixteen lacs of rupees per annum will discharge the interest, and pay off " the principal within six years."

After the foregoing statement, it is almost unnecessary to notice what Sir C. Metcalfe, in one of his latest despatches, describes Rajah Chandoo Loll to have said, " that in agreeing to the propositions of Messrs. W. Palmer and Co, " regarding the sixty lac loan, he considered that he was complying with " the wishes of the late Resident, and of the British Government." Not only did no proposition regarding the loan ever proceed from me to the Minister, but I rejected the repeated and urgent propositions which the Minister made to me regarding it, until the wish of the Members of the Government was intimated to me, that they should be forwarded to Calcutta. If the Minister means, that he considered he was complying with my wishes, and the wishes of the British Government, in making those reductions, for which he alleged the loan to be requisite, his statement is perfectly correct.

With the terms or particulars of the loan, further than they appeared in the public correspondence; or indeed with the terms or particulars of any of the transactions of the House, except that respecting the payment of the troops at Aurungabad, of which the accounts went through me to Government, I have to this day no other acquaintance, than that which I derive from the papers printed by your Honourable Court. I always thought that the Minister was the person most competent, as well as most interested, to watch over his own concerns; and even if I could have suspected him, on any occasion, of becoming a party to a measure, of which the operation was to be injurious to himself, it would not have been possible for me to restrain him. Subsequent events have shewn, that as long as the Minister was disposed to borrow, and the House was disposed to lend, neither party making any complaint of the other, it was not practicable to arrive at a knowledge of the real details of their transactions, without a constant inquisition, which, even if I had had a pretext for instituting it, would have required extraordinary powers beyond those which I possessed, to prosecute it with effect. I have before stated that I repelled the attempt to impose this very responsibility upon me, when the House applied to Government in 1816, to legalize its pecuniary transactions with the Nizam.

It never was my intention, therefore, nor did I conceive it to be any part of my duty, to enter into the consideration of the terms of this loan. My despatch to Government† did not contain any statement of the terms. In the consultations in Council, it is recognised‡ that no mention had been made as to what rate of interest the loan was to bear; and the answer from the Secretary to me, conveying the sanction of Government, says, expressly, " the terms of the loan are not mentioned in your despatch." When the

* Pol. Letter to Bengal, 28th November, 1821.—Hyd. Papers, page 80.
† To Mr. Sec. Metcalfe, 19th May, 1820.—H. P. page 38.
‡ Mr. Fendall's Minute, 7th July, 1820.—H. P. page 49.

Aurungabad contract was under the consideration of Government, I was told, that "the Governor General in Council did not propose to take cognizance "of that arrangement, further than to prevent any interference, on the part "of the House, or of any native agents belonging to that establishment, in "the collection of the revenues, or in any other branch of the management "of the districts assigned under the agreement of the parties." In this instance, if the Government thought it necessary to take cognizance of the terms of the loan, why, when they found that that part of the arrangement was not mentioned, did they not direct me to ascertain and report to them what the terms of the loan were? I always supposed, that the sum which the House contracted to pay to the Minister, was to be the difference between the old debt, amounting, as I understood, to about twenty lacs of rupees, and sixty lacs, the specified amount of the new loan: and although the terms were not stated by the House, I concluded from the Minister's letter,* that the whole of the loan, principal and interest, at whatever rate, or in whatever mode computed, was to be discharged by six annual instalments of sixteen lacs of rupees each. Sir W. Rumbold, in his statement addressed to your Honorable Court† in this country, declares that these were the original terms of the loan; and he describes the bonus to have been altogether a separate and subsequent condition, agreed to by the Minister, as a compensation for the additional risk and expense incurred by the House, in raising the sum contracted for at an earlier period than that contemplated when the original terms were framed. The same explanation of the bonus is given, in India, both by Messrs. W. Palmer and Co.‡, and by the Minister himself.§

With respect to the allegation, that the loan was altogether a fictitious transaction, and consisted merely of a transfer of old balances, Sir W. Rumbold avers, in the same statement, that the payments on account of the loan began immediately after the assent of the House to the Minister's proposition, and that nearly the whole sum had been paid when the contract was formally completed. Payments made under these circumstances were, to all intents and purposes, payments on account of the loan. With reference to this point, I have looked through the Minister's account with the House, which has now been printed by your Honorable Court. I have before stated, that the project of the loan was first made in the latter end of the year 1819, and revived in the beginning of 1820. Messrs. W. Palmer and Co., in the explanation which was required from them,‖ state the payments on account of the loan to have commenced on the 1st of Jemmadee ool uwul, 1235 of the Hegira era, which corresponds with the 17th of March, 1820. In the interval between that date ¶ and the 2d of Suffer, 1236, corresponding with the 9th of November, 1820, when the loan of sixty lacs is finally placed at the Minister's credit in his general account,** the sums paid by the House, without including any former balance, or any charge of interest, amount to upwards of forty lacs of rupees, of which by far the greater part are actual payments in cash. Many of these payments, on the face of the account, were manifestly for public purposes, and, for any thing that appears to the contrary, the whole may have been so; although the purpose to which the money may have been applied by the Minister, does not in any degree affect the character of the transaction on the part of the House. The members of the House are not responsible for the application of the sums received from them by the Minister. For them it is sufficient that the money which they agreed to pay, they actually did pay. The rest is a question between the Minister and his own Government.

The foregoing statement has been framed on a cursory examination of the printed accounts. If, for any reasons which do not appear, that ground

* To Mr. Russell, May 1820.—Hyd. Papers, page 39.
† 19th January, 1824.—Hyd. Papers, page 730.
‡ Messrs. W. Palmer and Co. to Sir C. Metcalfe, 17th November, 1824.—Hyd. Papers, page 838.
§ Rajah Chundoo Loll to Lieut. Barnett.—Hyd. Papers, page 803.
‖ To Sir C. Metcalfe, 19th August, 1823.—Hyd. Papers, page 744.
¶ Account A., folio 31.—Hyd. Papers, page 620.
** Account A., folio 35.—Hyd. Papers, page 624.

should prove to be erroneous; and if the loan, in spite of the result exhibited by the accounts, should still turn out to have been composed of old balances only, or to have been, in any respect whatever, a fictitious transaction, I do most solemnly protest that that fact was not only unknown, but unsuspected by me.

In the discussions which took place in Council, considerable stress appears to have been laid on the expression used by me, in my despatch of the 19th May, 1820, that, "the circumstances of Messrs. W. Palmer and Co. "enabled them to secure a combination of the native monied interest;" and your Honorable Court contrasts that expression with the assertion made, in my previous letter of the 28th April, 1819, that "none of the native bankers at Hyderabad "could have commanded funds adequate to the purpose" of paying the troops in Berar; as if I had inconsistently stated, that the same Soucars who wanted funds in 1818, possessed them amply in 1820. On the first occasion, I spoke of single Soucars; and on the second, of a combination of many; and on both, my assertions were made under a state of circumstances, as I conceived, so notorious and indisputable, as to render any reference to particulars unnecessary. No one Soucar could, at either time, have commanded the requisite funds; and, at Hyderabad, many Soucars never combine together. The mistrust and jealousy which prevail under Governments like that of the Nizam, pervade every class of the people; and are felt by individuals towards one another, as well as towards the Prince and his Ministers. Every man finds secrecy his best safeguard; and studiously conceals the amount and distribution of his property from the knowledge of his neighbours. The Soucars, therefore, to whom this caution is peculiarly necessary, would not combine with one another to make a loan. After what has been said, in almost every page of the papers printed by your Honorable Court, of the character of the Nizam's Government, it can hardly be requisite to state, that no Soucar would trust him or his Minister; nor, strange as it may seem to persons not conversant with the facts, would they advance a large sum, even on the guarantee of our Government. We must not suppose, that the Soucars at Hyderabad know, or believe our Government to be honest, because we ourselves know it to be so. They have no notion of the existence of any thing like public faith or credit. They know that we are powerful; and, with them, the possession of power necessarily implies the abuse of it. If we had desired to borrow money to any extent at Hyderabad, either for ourselves or for the Nizam, the Soucars assuredly would not have advanced it. Be the goodness of the security what it might, it was one that they did not understand. But with Messrs. W. Palmer and Co. they knew, and saw their way. They had dealt with them before, and found their dealings were secure. To them, therefore, they were willing to lend. But at the time the sixty lac loan was negociated, I understood, that although the Soucars were willing to lend to Messrs. W. Palmer and Co., on their own security, they refused to take any portion of the loan, either on the credit of the Nizam, or under the sanction of our Government. Your Honorable Court is aware that the deliberations in Council, which have now been published, were not communicated to me. Until I saw the printed papers, I did not know that the project of a direct loan from our Government to the Nizam had ever been suggested. The legality or expediency of such a measure, as it affected our own finances, were questions which it did not belong to me to consider; but if such a loan had been practicable, and if I had been consulted as to its probable operation on the Nizam's interests, I could have had no hesitation in giving it the decided preference over any loan that could have been negociated, with Messrs. W. Palmer and Co., or with the Soucars, or in any other quarter.

In the case of both the transactions, therefore, out of which the present proceedings have arisen; the Aurungabad contract, and the sixty lac loan; it appears indisputably, that if the Nizam's Government had but fulfilled its part of the agreement, the Aurungabad contract would not have entailed any charge upon it whatever; and, with respect to the loan, that as far as my knowledge of the state of the Nizam's affairs extended, it required only that the Minister should

apply the money to the purposes for which he alleged it to be designed, and that he should observe the terms prescribed for its discharge, both to secure the extensive objects of retrenchment which I had in view, and to complete the extinction of the debt in the short period of six years. Even if any part of the loan have been misapplied by the Minister, I am not answerable for the misapplication; unless it can be shewn that I omitted any precaution by which I could influence him to apply it to its proper object. I took every opportunity of urging reduction and retrenchment. I received written statements from him, first of the reductions which he proposed to make, and afterwards of those which he asserted had been made. In my reports to Government, I spoke of the loan itself, and of the purposes to which it was to be applied, according to the knowledge which it was practicable for me to attain of them at the time. But I have since been charged with "blameable neglect of "duty, in not ascertaining and reporting the misappropriation of the loan." Unfortunately for those who are engaged in the conduct of human affairs, it is not so easy to narrate future, as to narrate past events. Sir C. Metcalfe will not be taxed with any culpable partiality for the Minister, or the House, or with any disposition to shut his eyes to instances of misconduct on the part of either. Yet, if I was deceived as to what was to come, he also was deceived as to what was already past. With those measures complete and consummate before him, which I saw only in progress and design, he expressed substantially the same opinion that I had done. "The Government," he says, "was undoubtedly relieved from much pecuniary embarrassment by the "loan, and was enabled to pay off large arrears." Again he states, "There "is no doubt that the loan was most convenient to the Nizam's Government "at the time, and especially to the Minister himself personally; and by ena- "bling him to struggle through temporary difficulties and embarrassments, it "may possibly prove the means of greatly assisting the restoration of pros- "perity in the country." It is true, that Sir C. Metcalfe has since expressed a contrary opinion, and thinks he has detected the deception, which he asserts to have been practised, first upon me, and afterwards, upon himself. But what are the means by which he has attained that result? and were any of those means at my command? Before Sir C. Metcalfe could compass his end, it required that the fundamental principle of the instructions prescribed to me by Government should be reversed; it required that the Governor-General, under whom I acted, should be replaced by another, entertaining opposite views and sentiments; it required that the Minister should commit himself in an intrigue, which necessarily led to his discomfiture: and, in addition to all this, it required an acrimonious conflict of three years duration, in the course of which Sir C. Metcalfe was invested with a despotic controul over the Nizam's Government, and armed with unlimited powers on the part of his own.

The most prominent instance of deception charged against the Minister is, that in point of fact, he did not make the reductions which he assured me he had made; and your Honorable Court has expressed an opinion, that the information furnished by him on that point, and reported by me to Government, was greatly exaggerated. The sanction of Government to the loan reached me about the 1st of August; my report to Government, referred to by your honorable court, was made on the 1st of September, and I quitted Hyderabad on the 1st of December following. If it was the Minister's purpose to deceive, it was almost impossible to detect the deception in that short interval. Sir C. Metcalfe seems, from the first, to have taken all the pains in his power to ascertain what had really been done in the way of reduction; yet notwithstanding that various accounts were, from time to time, exhibited to him by the Minister, every one of which was no doubt subjected to rigorous examination and inquiry, he was obliged to acknowledge, after the expiration of two years, that he was still in doubt as to the reductions; at all events, he could not state that they had not been made, or, if made, to what extent. The Minister himself persists, to the last, in affirming that reductions were

made to the annual amount of twenty-five lacs of rupees.* If it was easy for me to procure the information in an authentic shape, it was equally easy for Sir C. Metcalfe to procure it. If it was difficult for him to procure it in two years, it was still more difficult for me to procure it in four months. Why are our proceedings to be measured by opposite rules, when we were acting in the same case, and under similar circumstances? If the information communicated to me be erroneous, must the fault lie in my want of zeal or diligence? and if that communicated to Sir C. Metcalfe be erroneous, is the whole blame then to be laid at the door of the Minister's duplicity and counteraction? I had no facility which Sir C. Metcalfe did not equally enjoy; and I boldly affirm that there was no zeal or diligence on his part, which was not equally exerted by me.

There were various reasons which induced me to place reliance on the Minister's original report of the reductions he professed to have made. I had never, on any former occasion, and some of them had been occasions of great importance, been deceived in the confidence I had reposed in him. In all those instances in which his report was susceptible of immediate confirmation, I found that he actually had done, what he professed to have done; and his purpose was unquestionably believed to be genuine, by all those whose interests were most affected by it, and who had the best means of judging of his sincerity. Some of the individuals, on whom the weight of the reductions principally fell, complained to me of the hardship they suffered from them; and an attempt was made by several of the leading personages of the court, including the nominal prime Minister, his brother, and the commander of the *Paegah*, or household troops, to engage the Nizam himself in a combination to resist the measure.† The universal impression on the spot certainly was, that the Minister had entered cordially into our views. Sir C. Metcalfe says in his first report, "It will be gratifying to the Most Noble the Governor-"General to learn, that much good has undoubtedly been done in the Nizam's "country, by the measures authorised by his Lordship, and carried into effect "by Mr. Russell." Upwards of two years afterwards, Sir C. Metcalfe again says: "The suppression of rebellion and complete establishment of the au-"thority of Government, have been in progress for several years. The "capture of Nowah, and other forts, and the subjugation of the Naiks,‡ "together with other energetic measures, during the residency of my prede-"cessor, rescued a great portion of the country from a state of open insubor-"dination and defiance." "The power which the Nizam's Government "possesses, in a greater degree, I imagine, than native states generally, of "putting down rebellion, and maintaining good order throughout its domi-"nions, it owes entirely to the excellent force of cavalry, infantry, and "artillery, organized during the residency of my predecessor." In one of his early despatches Sir C. Metcalfe says, "It is a delightful part of my present "situation, that I find in the service an ample supply of British officers, "able and willing to render the greatest assistance in establishing the pros-"perity of the country." By whom were those officers selected? If they were selected by me; if that excellent force was formed under my influence, and completed under my direction; if I enabled the Minister to suppress

* Rajah Chundoo Loll to Lieutenant Barnett.—Hyd. Papers, page 802.

† "A combination appears to have been lately formed between Mooneer ool Moolk, Ameen ool Moolk, Shums ool Omrah, Shahyar ool Moolk, and some other principal persons about the Nizam, to resist the measures of retrenchment, in which the Minister is engaged, and by which they find that their undue emoluments will be seriously affected. For this purpose they endeavoured, by alarming the Nizam's jealousy, to make him a party in their cause. They represented to him that in this, as in all other instances, Chundoo Loll was merely a tool in the hands of the British Government; and that under the specious pretext of reducing his expences, and reforming his affairs, we were in reality preparing a scheme for taking possession of his Government and country. The reduction of nominal and useless establishments they described as a plan to weaken those from whom we expected opposition to our ambitious views; and the establishment of a tribunal, which the Minister has lately formed for the gratuitous administration of justice, as a project for the gradual introduction of our own judicial system."—Mr. Russell to Marquess of Hastings, April 30, 1820.

‡ Appendix, A. page 1.

rebellion, to restore the authority of Government, and to maintain good order throughout its dominions; if, by a course of energetic measures, I rescued a great portion of the country from a state of open insubordination and defiance; and if it was undoubted that much good had been done by the measures authorised by the Marquess of Hastings, and carried into effect by me: if all this was done by me, am I to be told that I did nothing? Is it nothing to explore the disease, to provide the remedy, and to administer it with vigor and effect? If all this were failure, what was to be accounted success? There is nothing in the doctrine of reform which has a peculiar fascination over persons in power. Rajah Chundoo Loll would not have been singular if he had disliked the project; yet whatever change subsequent events may have produced in his measures, or in the view taken of those measures by others, I am satisfied that he was in earnest when he originally entered on the reform, and that, while I remained at Hyderabad, he was zealously engaged in what he believed to be the effectual prosecution of it. I constantly and sedulously encouraged him in his purpose, and endeavoured to avoid every step that was likely to give offence, or provoke resistance.

It has indeed been urged, as a ground of complaint against me, that "I was "not disposed to force unpalatable measures on the Nizam's Minister." To this charge I must plead guilty, in its fullest extent. I must admit that I was anxious to render the measures, which it was my duty to carry, as palatable as I could. With whatever shame the avowal may be attended, I acknowledge that I did always entertain the culpable desire of conciliating the confidence of the Nizam and his Ministers. I felt unreasonably for the degradation of a state, reduced to subjection and dependance; and conceived the reprehensible purpose of compensating, in some degree, for their loss of real power, by the deference and consideration of my personal demeanour. I unwarrantably endeavoured to soften the rigour of foreign domination, and reconcile the shoulder to the yoke that galled it. Had I been earlier conscious of my error, I might have avoided, or corrected it. Instead of conciliating by kindness, I might have goaded by coercion; instead of binding them, heart and hand, to our cause, and engaging them to fight cordially and zealously in our own ranks, I might have irritated and estranged them by the exercise of peremptory power, and have either driven them into the arms of the enemy, or wrung from them a reluctant and treacherous submission.

With regard to the prodigality with which the Minister is alleged to have dissipated much of the money borrowed by him, for the accomplishment of his own selfish purposes; and especially to the pensions, which he is charged with having granted, and which it is apparently meant to insinuate that I ought to have prevented; the greater number of those pensions were utterly unknown to me until I saw the list in the papers which have now been printed.

From the way in which the allowance to Mr. Palmer, in particular, has been described, it would seem as if it had been obtained by him clandestinely, as a partner of the House; and as if it had been granted by Rajah Chundoo Loll, as the price of some real or supposed influence, which Mr. Palmer was to exercise in his favour. But that is not the fact. The allowance was not granted by Rajah Chundoo Loll; nor had it any coincidence, in point of time, or in any other respect, with Mr. Palmer's situation as a partner of the House. Mr. Palmer entered the service of the Nizam in 1799, and was, for many years, actively employed in a military capacity. By his own talents and exertions, he recommended himself to the successive Ministers under whom he served; to Azim ool Omrah, and Meer Allum, and ultimately to the Nizam himself, by whom he was selected for the command of his own immediate body guard. That selection Mr. Palmer did not owe to the support of the Resident, or of any other person connected with the British Government. With the Nizam, support from such a quarter would have been a bar, not a recommendation to favour. Mr. Palmer afterwards received, I believe from Meer Allum, while Captain Sydenham was Resident, the command of a body of horse; of

which, according to the constitution of an Indian army, this is, in fact, the tenure. The commander receives from the Government a stipulated monthly sum for each horseman; the horses are purchased and fed by himself; he entertains the riders at as cheap a rate as he can; and the difference between what he receives and what he pays constitutes, in addition to his personal allowance, the avowed profit of his command. Mr. Palmer's party was reduced by Rajah Chundoo Loll, before his House was either in existence or in contemplation; but he himself continued in the Nizam's service, and retained his personal allowance. Although I am satisfied of the general accuracy of this statement, I cannot be positive as to minute particulars; for they all occurred before I was appointed to the Residency. The Minister, I presume, made the arrangement, because he thought it advantageous to his Government; and what possible influence can Mr. Palmer have possessed, to facilitate that part of it which was advantageous to himself, beyond that influence, which is the legitimate property of every man who has acquired it by his personal character or talents? Mr. Palmer was strictly and exclusively the servant of the Nizam; and in that capacity had been repeatedly recognized and thanked by our own Government. Taking the chances and duties of that service, why was he to be precluded from its benefits? Even, therefore, had his allowance been given to him by Rajah Chundoo Loll, (which it was not) Rajah Chundoo Loll would unquestionably have been competent to give it. Even had I been at Hyderabad when it was given, (which I was not) I should have considered it an unwarrantable stretch of my authority to forbid it. In name at least, the Nizam's Government was acknowledged to be independent; and what becomes of even nominal independence, if his Minister is to be prohibited by the Resident from entertaining or dismissing, rewarding or punishing his own servants, according to his own estimate of their merits?

The pension to the Gordon family, and the circumstances under which it was granted, were reported by me to Government,* by whom it was approved of; and I was informed by the secretary, that the Governor-General in Council would sanction any exertion of the Resident's influence, which might become necessary in future, to secure the continuance of the pension.† Mr. Gordon, like Mr. Palmer, entered the Nizam's service before the introduction of the regular system which now prevails in his army. His elder brother, who had for many years commanded a battalion of the Nizam's infantry, was wounded, and made prisoner by Mohiput Ram in 1808, and then murdered in cold blood, after the engagement was over. The command of the corps, with the contracts attached to it, was given, during the time of my predecessor, to Mr. Gordon, avowedly as a provision for the family. In 1812 a mutiny broke out in the corps: the whole of the property in Mr. Gordon's house was demolished by the mutineers; the females of his family were severely beaten; and he himself was wounded, and kept prisoner for two days and a night in front of one of his own guns, to the muzzle of which he was repeatedly tied, a lighted match being held over the priming. In a service where events of this kind are not of rare occurrence; where the soldiers habitually resort to mutiny for the redress of both real and imaginary grievances; where the duties are desultory and harassing; where there is none of the aid or security which is derived from the scientific branches of a regular army; where no efficient provision is made for clothing, food, or pay; and where both officers and men are without any medical or surgical assistance in case of sickness or wounds; are their risks and hardships to be measured by those of a service, where every possible care is taken to promote the security and comfort of the individuals composing it? I was personally acquainted with an officer in the service of one of the native Powers, who having his leg shattered in an engagement with Sindiah's troops, and there being no surgical aid within reach, himself assisted in amputating his own limb with his own sword, stanched the stump in scalding oil, and perished in

* Mr. Russell to Mr. Secretary Adam, March 31, 1813.
† Mr. Secretary Adam to Mr. Russell, May 15, 1813.

agony after the operation. If some few individuals prosper amidst these perilous and trying circumstances, are they to be begrudged their recompence, although it should exceed that enjoyed by the officers of a regularly organized and appointed army? When Mr. Gordon quitted the Nizam's service after the mutiny, the corps was reduced, and the contracts resumed: the arms and accoutrements were purchased by the Government, and a pension of three hundred pagodas a month was granted to the family. This pension was originally granted in a single sum; but Mr. Gordon requested, in order to prevent family disputes, that it might be divided; and he proposed, that one hundred should be paid to himself, another to his mother, and the third to the widow of his brother who had been murdered. The pension was designed, not for the exclusive benefit of these three individuals only, but for the support of the family at large; and if it had remained in the form of the original grant, the whole would have continued to be received, at least as long as either Mr. Gordon, or his mother, or his sister-in-law, survived. That no provision was made for the deaths of the two females, which have occurred, proceeded entirely from oversight; and it is hard that the Minister should be blamed for prodigality in continuing their portions to other branches of the family, and that Mr. Gordon should have to support them all, on one-third of the sum, of which he would still have received the whole, but for an omission which ought to have been prevented.

The other pensions which were granted at my recommendation, or with my concurrence, are few in number, and trifling in amount. There is not one single instance of a pension, or allowance, or donation, of any sort or kind, granted to any person in the most remote degree connected with me. They were granted almost exclusively in the case of officers who had been killed, or had died in the service, leaving their families destitute, and with hardly any one of whom I was otherwise acquainted than officially, and by name. It is impossible to conceive any inducement, other than a good one, which either I could have had in recommending, or the Minister in granting such pensions. For myself, be the blame what it may, I cheerfully take my full share of it; and as to the Minister, whatever may have been his motives in that, or any other case, I am satisfied that there is no other native Government in India, and perhaps not many Governments in more enlightened countries, which would come clearer out of the scrutiny, if they were ripped up with the same vindictive hand, and exhibited with the same vivid colouring. The Nizam's Ministers are not the only Ministers in the world, of whom it has been alleged, that they make use of their patronage to secure their places; and that even in times of financial difficulty, they have, in some cases, granted pensions, which would not stand the test of rigorous examination. After administering the power, and patronage, and revenues of his Government, for fifteen years, and having never been profuse either in his personal habits, or the expenses of his family, if Rajah Chundoo Loll were to die to-morrow, his bitterest enemy will not assert that he would leave one shilling behind him. Not only he has not spent the money of the State for his own purposes, but he has spent his own money for what he believed to be the purposes of the State. If, to have died poor, were thought a distinction to be recorded on the monument of the most powerful Minister that England ever saw, let it not be forgotten that Rajah Chundoo Loll, die when he may, will be entitled to the same distinction.

After all, what have been the consequences of all this alleged prodigality? and what is the amount of the distresses, which are said to have brought the Nizam to the brink of ruin. Was he unable to extricate himself from them? or did they threaten his Government with bankruptcy, or dissolution? If he wished to get rid of his debt at once, he had only to open his idle hoards, and he had money enough to pay it twice over; and even if it had been paid out of the current revenue of his country, without the redemption of the Paishcush, twelve years was the longest period computed for the discharge of both principal and interest. If this be the brink of ruin, how many nations would deem it prosperity to stand upon the same brink!

In the accounts of Mooneer ool Moolk, I observe an entry of a payment in my name, which is stated to have been for the repair of a tank. What is called the repair of a tank, was the completion of a great work for supplying Hyderabad with water, which could before be procured only by carriage, from without the city walls, on bullocks or men's shoulders. It was begun by the Minister, Meer Allum, in the time of my predecessor, Captain T. Sydenham, after a plan, and under the superintendence of Mr. S. Russell, who had been bred in the Corps of Engineers, and had charge, for many years, of the public works of the Nizam's Government. At the death of Meer Allum, in the end of 1808, this noble work, after the expenditure of many lacs of rupees, was not more than half finished. His son-in-law and heir, Mooneer ool Moolk, was induced by Captain Sydenham to carry it on for some time; but on my arrival at Hyderabad, in 1811, it had been at a stand for upwards of a year. It was at length resumed, and in the middle of 1812, was completed to the extent of the original plan; but an additional elevation was found necessary, to give it its full effect. The particulars of this work were described by me in a report to Government, dated the 10th August, 1812. Mr. S. Russell was then returning to England; and as Mooneer ool Moolk, like all other persons of rank at Hyderabad, could not quit the city without the special permission of the Nizam, which, even if asked for, would probably be refused, he requested that I would myself watch the progress of the work, and that I would allow the expenditure to be checked by a servant of my own, in whom I could confide. The accounts were kept in concert with the persons in Mooneer ool Moolk's own employ, and were rendered directly to him; I never saw them; and I did not recollect, probably I did not know at the time, that any of the orders had been made out in my name. Indeed, without the explanation that has been given, I should have been unable to conjecture the reason of my name's appearing at all in Mooneer ool Moolk's accounts. This work is to Hyderabad, what the New River is to London. It consists of an artificial lake, between seven and eight miles in circumference, which is formed by closing the mouth of a valley with a stupendous mass of masonry, near a mile in length, and is fed by a canal from the river. Pipes are laid from it through the streets of the city, with a branch to each house. It is a splendid work of public utility, to which I am proud of having contributed. The only work I have seen in Europe, at all resembling it in kind or magnitude, is the Breakwater at Plymouth.

Although the circumstances of the sixty lac loan, and those of the Aurungabad contract, have been unjustly made the ground of censure on my conduct, I cannot discover that any attempt has been made to insinuate, that I had any interest in either of them. If such an insinuation has been made, I answer it by a solemn, total, unqualified denial. I affirm that I did not, directly or indirectly, in the way of extraordinary interest, or accommodation, or in any respect whatever, derive or expect, for myself or any body belonging to me, the smallest benefit of any kind, from the house or its concerns. My brother, Mr. C. Russell, quitted India in the end of 1817, six months before the beginning of the Aurungabad contract, and two years and a half before the sixty lac loan. He was situated similarly to me, and the whole of the foregoing declaration in its fullest extent, is applicable to him as well as to myself.

It has, however, been asserted, that a secret understanding existed between the Residency and the House. I most peremptorily repel the charge. The Members of the House were the most competent judges of my sentiments and proceedings towards them. Far from looking on me as friendly, or even impartial to their transactions, they considered me as absolutely hostile; and Mr. Palmer formed his connexion with Sir W. Rumbold, for the express purpose of resisting the opposition which he expected from me. Mr. Palmer constantly and openly complained of my counteraction. My rupture with him, and the hostility which he attributed to me, were notorious at Hydera-

bad. They were known to the Minister, and to the natives generally, as well as to the Members of our own Society. They were topics of common conversation; and there are many individuals now in England, who, from their own personal knowledge, can attest the fact. I assert that no one single instance can be adduced to give colour to the charge, that in my proceedings respecting the House, I was influenced, either by a collusion such as that here imputed to me, or by any unworthy motive of any kind whatever. I do not indeed recollect any one occasion, on which the House required the exertion of my influence, or on which I promoted its concerns with the Minister, or any other person; and in every transaction which could have the most distant relation to my own Government, my sole endeavour was directed to contract the limits of its sanction, and secure it against the shadow of responsibility. Whether the effect of my measures was to advance or impair the interests of the House, I did what I thought my duty; and it does no discredit to my conduct, that while the House complained of my doing too little, the opposite party allege that I did too much.

I have spoken of the transactions of the House, to the extent to which I knew them: beyond that I do not profess to go. It is not my purpose to vindicate them. If the dealings were fair, they do not stand in need of any defence; if they were unfair, the House must defend them itself. The known connexion of one of the partners with the Governor-General necessarily gave weight and importance to the Firm, in the estimation of the natives; and I see by a letter from the Marquess of Hastings, which is among the printed papers,* that his Lordship was aware that the junction of Sir W. Rumbold would, in that respect, be a valuable acquisition to the House. But of their political influence, and the active exercise of it, such as I see it now described, I saw nothing while I was at Hyderabad. It must have been after Sir C. Metcalfe's arrival that that influence grew up, or at all events that it attained that shape and magnitude, which have since elicited such vehement and repeated complaints. Sir C. Metcalfe himself says, with a qualification which shews that he had considered the subject deliberately; "With this single exception, of the high rate of interest, which I hope to see "lowered, as its continuance is not consistent with the financial prosperity "of the Nizam's Government, I do not observe any thing in the transactions "of the House, requiring interference or restraint on the part of our Govern-"ment." "The enterprise of such a commercial establishment, and the "efforts which it would make for its own benefit, must tend, I conceive, to "promote the prosperity of the country:" and again, "I should think it "desirable, in every point of view, that this House should be as unfettered "in its transactions as any other commercial concern; and that vigilance, "on our part, should be exercised, not with a view to restrictions on the "proceedings of the firm, but solely in order to guard the interests of the "Nizam's Government, and our own, in those transactions in which they "might be at variance with the interests of the House." From the position described in these passages, which is, in fact, the position in which I left it, the House must have made large and rapid strides, or some extraordinary incident must have occurred, to sustain the character afterwards given of it by Sir C. Metcalfe, when he says, that "the atmosphere was tainted by their "corrupt and unnatural influence;" and states it to be a question requiring solution, "whether the House or the Resident was the real representative "of the British Government." But even when the influence of the House had risen to such a pitch as to be injurious, in Sir C. Metcalfe's opinion, it is evident, from the whole tenor of the elaborate report made by him on the occasion, that he referred that influence to the supposed favour of a much higher power than can ever have belonged to me. Speaking of the House, he says, "The details of this letter will amply evince, that they do not require

* Hyd. Papers, page 734.

" my support. Their power here is far above it. They know that they " can act without any local aid; and their policy has been, since I became " acquainted with them, not to rely on the support of the Resident, but to " obtain a support above that of the Resident. If they had any need of my " assistance, for any reasonable purpose, it should not be withheld; but at " present they are far above requiring it, and would think it a loss of con- " sequence to be reduced to the necessity of applying for it." The bazar, which Sir C. Metcalfe, in the same report, describes Sir W. Rumbold to have established, and which he found it necessary to make a ground of complaint and remonstrance to the Minister, was not in existence when I quitted Hyderabad. It must, therefore, have been begun and completed after Sir C. Metcalfe's arrival.

For the purpose of giving colour to the allegations against me, the most absurd and exaggerated reports have been circulated respecting the amount of my fortune. When I quitted India, the whole of my fortune was invested in public securities, deposited with the Accountant-General and Sub-treasurer in Calcutta; and when the loan, to which those securities belonged, was paid off, the total amount was remitted to me, in a single bill on your Honorable Court. Your Honorable Court therefore knows the extent of my fortune. I solemnly declare that that one bill contained the whole I am, or ever was worth; and I appeal to your Honorable Court, whether, considering the situations which I held, and the number of years for which I held them, that sum constitutes an unreasonable fortune for to me have acquired.

It is painful to be obliged to speak of one's self; but it is sometimes a duty; and when it is, must be discharged. I did not live in a corner. For many years, I occupied a prominent station. To my services, such as they were, the public records must bear testimony. I speak of them unwillingly; but as I have been compelled to deny what I have not done, I will not be deterred from asserting what I have done. If the comparison is to be instituted by those who are conversant with the facts, I do not fear any contrast between my administration, and those of either my predecessors or my successor at Hyderabad.

Of all the native powers of India, no one had suffered more from external violence and domestic distraction, or had fallen into a state of more abject weakness, than the Nizam. I have already shewn the opinion expressed by my predecessor on this subject, and the account given by him of the desperate condition of the Nizam's affairs at the time that I was appointed Resident at his Court. Disorders of that character are never stationary. They are progressive in their nature; and, under such a state of circumstances, it was no easy task, not only to preserve the Government from dissolution, but to render it capable of greater, more efficient, and more continued exertions, than it had made at any previous period. Notwithstanding its decrepit condition, it raised and equipped, after I went to Hyderabad, the only military force it had ever had worthy of the name; and it was not only faithful to its engagements with us, but at a crisis the most momentous to our interests, it was enabled, for the first time, to take an active and vigorous share in the war, and to contribute, in many essential instances, to its prosperous termination. Among the various Governments which were allied to us when we entered on the operations against the Pindarries, if there was any one universally thought more likely than all others to seize the first opportunity of taking part against us, that one was unquestionably the Nizam's. When the defection of the Paishwah and the Rajah of Berar burst upon us; when we were involved in war with Holkar; when Sindia was kept in check only by the presence of a large army; and when, in fact, the whole force and feeling of India seemed to be arrayed against us; every eye was turned with alarm towards Hyderabad. It was confidently pronounced that the Nizam was already a party to the league, and was on the eve of declaring

himself against us. If he had done so, and if his country, and troops, and resources, had been taken out of our scale, and thrown into that of the enemy, who will undertake to say what the consequences might have been? I will not assert that the war would have ended in our discomfiture, or that finally the result would have been different from what it has been; but I certainly will assert that the danger, and duration, and expence, would have been infinitely increased, and that the juncture would have been incomparably the most critical and alarming, in which our interests in India had ever been placed. Let the conduct and exertions of the Nizam's Government, during the last war, be compared with its conduct during former wars, and with the conduct which all other Native Governments have pursued towards us. By the Treaty of 1798, the Nizam was bound to co-operate with us; yet in the war with Tippoo, which immediately followed, he did absolutely nothing. In the war of 1803, he did all but join the Mahrattas; and Marquess Wellesley hesitated whether he should not declare him a public enemy, and prosecute hostilities against him. In the last war, his fidelity was unshaken and unimpeached; the resources of his country were unreservedly at our command; and he joined us with a body of troops, complete in every branch of discipline and equipment. I refer to the testimony of Sir Thomas Hislop for the character and conduct of those troops; and appeal to him, whether, at the battle of Mahidpoor, they did not take an equal share with any other of the gallant troops which served on that memorable day. Would any body, who knew the condition of the Nizam's troops five years before, have thought it possible that, under such a Government, and with such resources, they should be brought to the state of efficiency which they had attained in 1817?

When I say that these things were done, I mean, at the same time, to assert that it was I who did them. Those who are familiar with the constitution and temper of the native Courts of India, know that the character of their measures often depends as much upon the personal influence of the British Representative, and the estimation in which he is individually held, as upon the political power and ascendancy of his Government. A different conduct on my part would have led to very different consequences; and my services were not the less important, because they were silent in their progress, and pacific in their result. From a burdensome and dangerous neighbour, whom it was necessary to watch with jealousy, and control with rigour, I converted the Nizam into a faithful and efficient ally. The same measures which made him useful to us during the war, strengthened his Government at home, and qualified it to undertake the improvement of its own affairs; and if the scheme of reform should ever be brought to a prosperous completion, it will have been built upon a foundation which was laid by me.]

There is hardly, in the history of your affairs, a period more replete with changes and events of magnitude, than that during which I filled the office of Resident at Hyderabad. Throughout the whole of those eleven years, my conduct and measures received the invariable approbation of my Government; and I cannot more suitably close this letter, than with the recorded testimony which closed my career of service in India.

"The Governor-General in Council deems it due to you to record, on this "occasion, his high sense of the eminent zeal, ability, judgment, and "address, by which your conduct has been distinguished during a long "career of public service, and especially in the management of the important "interests confided to your charge at the Court of Hyderabad. His Lord-"ship is sensible that the Honorable Company and the British Nation have "derived essential benefit from the exercise of those qualities; and he views "with regret your departure from a situation, which you have filled with so "much honor to yourself, and so much advantage to the Government."

I hope that it is unnecessary for me to disclaim any purpose of disrespect to your Honorable Court, in any thing that I have said. I intend none. My object is to vindicate myself; and if, in the exercise of that sacred right, I have been betrayed into any warmth of expression, my justification must be found in the language and spirit of the proceedings which I have been called upon to answer.

I have the honor to be,

Honorable Sirs,

with great respect,

Your most obedient humble Servant,

H. RUSSELL.

London, September 21*st*, 1824.

APPENDIX.

A.

EXTRACTS from a Report from MR. RUSSELL to the Chief Secretary at *Fort William*, on the State of the *Nizam's* Possession in *Berar*. Dated *Hyderabad*, July 10, 1811.

6. Except in their predatory habits, the *Naiks* do not, in any respect, differ from the other inhabitants of the province. In fact, *Naik* is a term used in Berar merely to express a rebel and plunderer. The principal among them were originally Zemindars, who having either suffered oppression from the Government, or seen a favourable opportunity of making themselves independent, have thrown off their allegiance, and maintained themselves in a state of avowed rebellion. Their followers are cultivators of the soil, who have, at different times, been driven from their habitations, or tempted to abandon them, by the same causes. They generally cultivate the land about their villages, some of which are the most flourishing in the province. But they neither pay any tax, nor acknowledge any authority. They rob all travellers, and plunder indiscriminately the whole of the country round them. In some instances, they have even compelled the Government to enter into terms with them, and to acknowledge their exemption from the payment of revenue, as the price of their abstaining from the plunder of the districts in their neighbourhood. Their villages are generally well fortified, and built in strong situations, protected by either hills or jungle, and all the inhabitants of them are soldiers.

7. In a Government constituted and administered like that of Hyderabad, an evil of this kind has a natural tendency to increase. Every Zemindar, who really has reason, or only thinks he has, to complain of the Government, immediately becomes a *Naik*: and any of the inhabitants, who suffer oppression, have an asylum held out to them, where they are sure to find protection, and where they probably live in greater affluence and security than under their lawful governors. The *Naiks* owe their impunity to the weakness, and their increase to the tyranny of the Government.

34. The condition of a country under a native Indian Government may, in some degree, be estimated by the proportion which the lands held in *Amanee*,* and those held in *Ijarah*, bear to each other. As a general principle, it will be found, I imagine, that the country flourishes with the extension of the *Amanee* system, and declines with the extension of the *Ijarah*

* *Amanee* is where the revenues are collected by an officer on the part of Government. *Ijarah* is where they are let to a farmer.

system. The *Amaneedar** has the same errors of education and habits that the *Ijaradar*† has; but he has a personal interest in the prosperity of the country under him, which the *Ijaradar* has not. If the *Amaneedar* collects the ordinary revenue of the country, the Government is satisfied. If the country declines under his management, and the revenue falls off, he knows that he will lose his situation. If it improves, and the revenue increases, he will certainly be confirmed; and his authority will probably be extended. The *Ijaradar*, on the contrary, has nothing to consider but how he shall extort the most money from his district. His office was exposed to sale, and he got it because he offered a higher price than his competitors. His charge and his interest are both of them temporary. Every thing he can collect beyond his stipulated rent belongs to himself. The consequences of his extortion are a matter of entire indifference to him. If the country declines, if the inhabitants abscond, and the lands run to waste, it is the Government that suffers, not himself. If he renews his lease, he does it at a reduced rent; and the worse the state of the country is, the better bargain he will make for it. Even the prosperity of a district, under an *Ijaradar*, is a source of injury, instead of benefit to him. Either some pretext is devised to eject him from his charge, and resume his lease before it has expired; or he is obliged to compound, by consenting to an increase of his rent. Every interest, therefore, that the *Amaneedar* has, consists in improving the country; and every interest that the *Ijaradar* has, in desolating it.

35. In Berar, about one-fortieth part only of the lands is held in *Amanee*. The rest is all held in *Ijarah*. The gross revenue of Berar last year‡ was sixty-six lacs of rupees, and the nett revenue forty-five lacs. The expenses were between forty-seven and forty-eight lacs. At the end of the Marhattah war,§ when the whole of Berar was first possessed by the Nizam, the gross revenue was generally estimated at upwards of eighty lacs.

B.

EXTRACT from a Paper communicated by MR. RUSSELL to the Governor General. Dated *Hyderabad*, June 30, 1815.

40. The character of a Mahometan Government is exclusively military. Every gentleman is a soldier. If he is not in the army, he is nothing. His estates are held by military tenure; his distinctions are acquired by military service; and his dependants and retainers are the officers and soldiers of his military party. The army constitutes, in fact, the nobility of the country. Civil titles and distinctions are unknown. The introduction of our subsidiary force, and the protection we are bound to give the Nizam, have removed the necessity of his supporting a large military establishment of his own; and have destroyed the field, in which even the small number of troops he does keep up might have acquired credit and experience. His army having become unnecessary, is of course neglected. The estates of the principal families have been resumed on the death of the holders; and during the last fifteen years, wherever the head of a family has died, the family itself has expired with him. There is now hardly a noble family left at Hyderabad. It was not without the greatest difficulty that 4000 horse could be collected lately, to join our army in the Ceded districts; and not a single officer of family could be found, who was qualified to command them. The person who was chosen, though supposed to be a good soldier, was a private horseman not many years ago.

* Collector. † Farmer. ‡ 1810. § 1804

41. Even the few men of birth that do remain, have no longer any thing to look forward to. They have no objects of hope or ambition. The splendour of the Court has faded with the decay of the Government. The distinctions which arose from the notice of the Prince, and from the intercourse between him and his nobles, have been lost. All the functions of business have been absorbed into the hands of the minister; and even his office is no longer the honorable station that it was. Neither his talents nor his industry have an open field to act in. They are confined by restrictions. The qualities, which would suit the minister of a free Government, are of too bold, and manly, and patriotic a character, to suit the minister of a subordinate and dependant power. A prince, be his natural disposition what it may, cannot be virtuous or respectable, when he has no longer any thing to hope or fear either from his own subjects, or from foreign enemies; and the best man in the world would in time become a bad minister, if his power were left, after his responsibility was taken away.

42. The middle class of society, which, in well ordered Governments, is at once the most important in itself, and the most useful to the state at large, either never existed, or was long ago destroyed. There is no tie to connect the higher and lower orders together. The gradation, if there ever was one, has been broken. And as to the lower classes, the great bulk of the population, their condition is as abject and miserable as it is possible to conceive. More than one half of the country is a desert; and even where there is cultivation, the farmer has no interest beyond the supply of his immediate necessities. He must provide himself and his children with bread to eat, and more than that he knows he would not be suffered to retain out of the fruits of his utmost industry. Men will not labour where they can have no share of the profit.

43. The administration of justice, and the collection of the revenues, which are nominally committed to the same hands, are equally neglected and oppressive. The individuals in authority consider nothing but how they may most easily accomplish their own ends; and the great mass of the people are treated as if the Government had no need of their support, and the Prince thought them of no further use, than to supply him with the means of gratifying his avarice, and ministering to his pleasures. The officer who has the charge of a district, is considered to do his duty according to the amount of his remittances to the capital. He makes the most he can in a short time, both for the Government and for himself; and the inhabitants are left without even the shadow of a security for their lives and property. The revenue is the branch in which the defects of a Government are most distinctly felt. It is the pulse of the state. Evils produce one another. As a Government becomes weak, it becomes rapacious. It demands more, as it can enforce less. The consequence is, that of the Nizam's districts, many are in open rebellion, and the remainder are daily sinking under oppression, and becoming rapidly depopulated and impoverished. For several years, the revenues have not been equal to the charges of the Government. The defalcation is annually and rapidly increasing, and the period cannot be very remote, when the temporary expedients of the Minister must become ineffectual, and when he must yield to the accumulated difficulties of his situation.

46. The disorders in the Nizam's Government are of so inveterate a character, and have acquired so deep and extensive an influence, that it would be difficult, if not indeed impracticable, to correct them by any change in the terms of our engagements, or the mode of administering our controul. Before it can become useful to us, it must acquire strength and energy in itself. It must improve its revenue, recruit its population, and repair its resources. It must form an army; and, above all, it must recover confidence in its own power, and inspire its subjects with the spirit and activity which they have lost. It must regain something of independence; but the means of accomplishing this are hardly within our reach. Although the restraints of

our alliance did produce the mischief, the removal of them would not correct it. The effect has acquired an independent existence, and would not cease with the cessation of the cause. To abandon our controul now, would be equally injurious to the Nizam's Government, and to ourselves; and even to relax it, would be a hazardous experiment. There is almost always danger in receding from the exercise of power. At all events it must be done slowly, and cautiously, and deliberately. And even if the attempt were made, there would not now be time for the effects of it to be brought into action soon enough for our present purpose. Nor could we, under the existence of the danger against which our precautions are immediately directed, make the trial with the same confidence and security, as after our enemies shall have been reduced, and our own power extended and consolidated,

47. When our present views shall have been accomplished; when the power of Meer Khan and the Pindarries shall have been suppressed; when the interests of Sindia, Holkar, and the Rajah of Nagpore, shall have been assimilated with those of their neighbours; and when the general tranquillity of India shall have been placed upon a firm and durable footing; then it may be desirable that we should undertake a patient and deliberate revision of our engagements with the various powers, which are now in alliance with us. But, at present, the introduction of any substantial improvement into our relations with the Nizam is an object rather to be desired than expected. We cannot restore to him what we have been the cause of his losing; nor can he recover it by any efforts of his own. A Government cannot re-ascend to prosperity, by the same degrees through which it has declined. It must complete its course, and pass through dissolution, before it can regain its strength.

48. Under every view of the question, therefore, there seems to be only a choice of difficulties. We must either continue the same controul which we now exercise; or we must lessen it; or we must increase it. If we continue the same controul, the calamities that have arisen will go on increasing, until they reach that extreme point, at which evils remedy themselves. If we lessen our controul, such anarchy and disorder would at once spring up as would probably overthrow the Government; and if we increase it, there are but few steps left for us to take, short of assuming the actual management and possession of the country. Of these three cases, the last is perhaps the most likely to occur.

C.

EXTRACTS from a Paper communicated by Mr. Russell to the Governor General. Dated *Hyderabad*, March 30, 1816.

16. The whole of the Nizam's revenues, with few and trifling exceptions, are farmed; a sure proof of the weakness of the Government, and misery of the people. They are levied by the farmer sometimes in kind, but most frequently in a money tax. When they are levied in kind, the Government share, if the grain be dry, is generally one half. In rice, the proportion varies. Where the land is watered from tanks, the Government share is three-fifths; when the water is drawn from wells, it is eleven twentieths; and when the water is brought from a distance, by any tedious process, it is only nine twentieths. The money tax is levied under two denominations; *Surbusta* and *Beegawanee*. *Surbusta* is where a fixed sum is paid by the cultivator, without any reference to the produce. *Beegawanee* is where the amount levied on each *Beega* of ground is regulated by the quality of the soil, or the nature of the season; and is larger or smaller as the produce is greater or less. The collections of this description fluctuate from five rupees to fifty

rupees à *Beega*. But high as these rates generally are, the great mischief of the system is, that they are never adhered to. If the season is a bad one, the farmer seizes the cattle of the cultivators to make up their defalcation; and if it is a good one, he leaves them only a scanty portion, and seizes the remainder for himself. All losses are borne by the cultivator, and all profits engrossed by the farmer; who has, by prescription, a tacit compact with the Government, that no complaints against him shall be received. The farmer may be said rather to levy contributions, than to collect the revenues of the country. The total want of faith in all engagements, on the side of the stronger party, is indeed a main source of the misery which prevails throughout the Nizam's country.

17. One principal consequence of the oppression of the Government, and the farmer, is, that the inhabitants frequently either leave the country, or refuse to cultivate their lands; and that the Zemindars abscond, or if they are strong enough, break into open resistance. The districts of Elgundel, Ramgeer, and Kummummett, on the right bank of the Godavery, are generally in rebellion. Kona Row, the Zemindar of Elgundel, may be said to be always in hostility against the Nizam; and he has great advantages in the strength of his country, and the number and bravery of his followers.

19. The Nizam's private treasures are considerable. In jewels, he is probably one of the richest individuals in the world. A large proportion of the finest jewels in India have been gradually collected at Hyderabad, and have fallen into the Nizam's possession. In money, he has not perhaps above a crore and a half of rupees; a million and a half sterling; of which upwards of a crore has been accumulated by himself. The Nizam is considered as the universal heir of all his subjects. Whenever a person of any note dies, his property is secured by the officers of Government; and it is only in cases of special indulgence, that the Nizam foregoes his claim in favour of the family.

24. The original provisions for the administration of justice are fair and rational under the Nizam's Government, as they are under most others. At Hyderabad, the *Soubah* is the chief civil Magistrate, and the *Cutwall* the chief criminal Magistrate. Their duty is to receive and investigate all complaints. They refer the result of their inquiries to the chief *Cazy* of the city, who pronounces the law; and his decrees again are applied and executed by the magistrates respectively. In all criminal cases the Mahometan law prevails. In civil cases, the Mahometan law is administered to Mahometans only. In disputes between Hindoos, the matter is referred to a *Punchayet** of Hindoos, to decide according to their own law or practice; and except in cases of manifest injustice, the *Soubah* is bound to adopt their award. When the Nizam takes the field, he is attended by a separate *Cazy* and *Cutwall*, who are called the *Cazy* and *Cutwall of the Army*. The Nizam himself, or his Minister, acts as civil magistrate in the camp. In the country, the administration of both civil and criminal justice is in the hands of the *Aumil*, or manager of the district, whether he be a farmer on his own account, or a collector appointed by the Government. There is, however, a *Cazy* in each district, to whom the *Aumil* ought to refer in cases relating to Mahometans: in those relating to Hindoos, he ought to refer to a *Punchayet*. But as the office of *Cazy* in the country is mostly hereditary, it seldom happens that the person who holds it is qualified to exercise the duties; and he is hardly ever employed, but to perform marriages, or authenticate documents. All these provisions, however, have fallen into total disuse. Both at the capital, and in the country, disputes are settled by force or favour; and even the forms of justice are openly neglected and defied. Until the Resident interposed his influence in 1814, to procure the infliction of capital punishment in aggravated cases of murder, not a single reference had been made to the chief *Cazy* of the city, in a criminal matter, for ten years. The office of *Soubah* has

* Court of Arbitration.

fallen into total disuse; and the *Cutwall* acts only as the head of an inefficient and oppressive police. Perhaps the only case in which any thing like justice prevails, is where a dispute takes place between two Hindoo merchants of equal rank, and is referred by mutual consent to the decision of a *Punchayet*. The persons composing a *Punchayet* are generally ignorant, beyond their own immediate habits; but their awards are, for the most part, fair in their substance and intention. No redress is ever to be had by an inferior against a superior, unless he purchases the assistance of a person still more powerful than his antagonist.

D.

EXTRACTS from a Despatch from Mr. RUSSELL to the Governor General. Dated *Hyderabad*, November 24, 1819.

2. The disorders in the Nizam's affairs are not of recent origin. The Government of Hyderabad has not been in a secure or flourishing condition at any period during the last seventy years. When Nizam ool Moolk, the founder of it, died in 1748, his authority extended from the Nerbudda to Trichinopoly, and from Masulipatam to Beejapore; but his death was immediately followed by domestic dissensions, and by the distractions in the Carnatic, in which the French and English were engaged as supporters of the rival Nabobs. Nasir Jung* was assassinated at Arcot in 1750; and Mozuffer Jung,† his successor, who was murdered in the following year, had already become so conscious of his inability to maintain himself with the resources of his own Government, that he had subsidised a body of French troops. The Musnud was then contested between Ghazee ood deen,‡ and Salabut Jung.§ But Ghazee ood deen was poisoned by the mother of his rival; and Salabut Jung succeeded to the Government. He was entirely supported, however, by the French party at his Court, which exercised a more decided controul than has ever been attempted by us; and when M. Bussy was recalled to the Carnatic by M. Lally, Salabut Jung foresaw the ruin of his affairs, and actually shed tears at parting with him. The Government was almost immediately usurped by Nizam Ally;‖ and Salabut Jung, after several ineffectual attempts to escape from the confinement in which he had been placed, was at length put to death in 1763. In the short space of thirteen years, therefore, three reigning Princes, and one competitor for the Musnud, had successively died violent deaths. The long reign of Nizam Ally, though less disastrous to the Prince, was even more injurious to the country, than the stormy period which had preceded it. The Government of Hyderabad had been worsted in every war in which it had been engaged, between the death of Nizam ool Moolk, and the Treaty of Paungul, in 1790; with the single exception of a short campaign against the Marhattahs, which Nizam Ally conducted with some success in 1761; and the result had been attended, in every instance, with a loss of territory or of revenue. The Government had gradually declined in power, resources, and reputation. It had become weaker abroad, and more oppressive at home. The disastrous campaign of Kurdla was immediately followed by the rebellion of Aalee Jah;¶ and if Nizam Ally had not thrown himself into our arms, he must either have been the prey of Tippoo and the Marhattahs, or have fallen a sacrifice to the ambition of his own sons.

3. In a long and uninterrupted series of calamity and disgrace, it is difficult to fix on the precise point, at which any particular disorder may have arisen.

* Second son of Nizam ool Moolk.
† Grandson of Nizam ool Moolk, by a favorite daughter.
‡ Eldest son of Nizam ool Moolk.
§ Third son of Nizam ool Moolk.
‖ Fourth son of Nizam ool Moolk.
¶ Eldest son of Nizam Ally.

A Government cannot decline in one respect, without declining in others. Loss of honor is loss of strength. As it becomes weak, it becomes rapacious; and it is the natural tendency of evils to propagate one another. Yet it appears to me, that the greater number of the abuses which now prevail, if they were not occasioned, were materially aggravated, and received their most powerful and extensive action, during the imbecile and extravagant reign of Nizam Ally, and the oppressive, rapacious, and improvident administration of his favourite, Azim ool Omrah. The amusements of Nizam Ally, though of the most puerile and frivolous kind, were attended with almost incredible expense; and the great object of his Minister appeared to be, to feed his pleasures, and relieve him from the cares of Government. Azim ool Omrah relied upon us to protect him against external danger; and as long as the country yielded money in any way, he cared nothing for the sufferings of the inhabitants from whom it was exacted. The natives of India are less prone, perhaps, to indecorous, than to violent acts; yet, when Azim ool Omrah died in 1804, his corpse was followed to the grave by the insults and imprecations of the whole populace of Hyderabad.

4. His successor, Meer Allum, was a very extraordinary man. Of all the natives of India I ever knew, he had an understanding the most nearly approaching to the vigour and comprehension of European intellect. He looked at once at the substance of every thing that was presented to him; and was as much a stranger to forms in his mode of transacting affairs, as in the ordinary habits of his life. He was unquestionably a man of great talents for public business. But he was utterly deficient in those qualities of the heart, which often supply the want of powerful intellectual faculties. He was ambitious, unfeeling, vindictive, and relentless. He never remembered a kindness, or forgot an injury; and although he was fond of the appearance of charity; and courted popular applause, he had no feeling for his fellow creatures, either individually or collectively. Both his situation and his talents gave him the power of doing more good perhaps to his Government, than any other individual who has ever been employed under it. Yet he aggravated many abuses, and he did not redress one. He raised the assessment already too heavy throughout the country, and made an additional imposition of one anna in the rupee, or 6¼ per cent. on the whole revenue, for his personal emolument. His administration was chiefly passed in a struggle for power with the Nizam; and all the worst qualities of the present Nizam's character were exasperated and confirmed by his injurious and offensive treatment.

5. When the present Minister, Rajah Chundoo Loll, succeeded to his office in 1809, every department of the Government was already in a condition tending rapidly to decay. The administration under him has necessarily been one of expedients. But far from thinking that the present difficulties are to be imputed to his mismanagement, it appears to me a matter of astonishment, that affairs have been administered as they have been. In the Marhattah war of 1803, when the Minister had every advantage that the stability of his own power, and the unbounded confidence of his master could give him, although the Nizam's exertions were so slender as to induce Marquis Wellesley to declare that he had forfeited every claim which he could have derived from fulfilling the obligations of the treaty, Azim ool Omrah was still compelled to insist on the extraordinary aid of ten lacs of rupees, out of the Nizam's private treasures. But during the late war, though Rajah Chundoo Loll was charged with the whole responsibility, without being invested with the full authority of Government; though he is a member of a discordant administration, in which he has a rival instead of a coadjutor in his colleague, Mooneer ool Moolk; though his adherence to our interests has lost him the Nizam's confidence, and deprived him of all those advantages which even the strongest Minister must derive from the favor and countenance of his Sovereign; he still contrived to raise and equip a most respectable and useful body of troops, and to furnish, in every particular, an active and effi-

cient co-operation, without making any demand upon the Nizam's coffers, or receiving extraordinary assistance from any other quarter.* To those who compare what he has done, with the means he had of doing it, his exertions must appear astonishing. Either the resources of the Government must have been improved, or they must have been applied with greater judgment. In either case, Chundoo Loll's merit as a Minister is conspicuous.

6. Exaction is the necessary vice of every Government which derives its principal revenue from the direct rent of land. It seems to be universally acknowledged, that the assessment is too high in every country in India. The Government demands too much, from the fear of receiving too little. What is exaction in the Sovereign, becomes extortion, in its most oppressive shape, under his subordinate officers; and even our own Government, with a system the most elaborate and expensive, has hitherto been unable to afford adequate security to the inferior classes of its subjects. Every Indian Government subsists upon its immediate means. It is always from hand to mouth. If ever there is a surplus revenue, it goes into the pocket of the Prince, not into the coffers of the State. There is no common feeling between a Mahometan Government and its Hindoo subjects. Public credit has no existence. A Minister may borrow money on his personal security; but public loans, among themselves, are entirely unknown. Extraordinary expenses, therefore, must be met by extraordinary exaction. This is the chief cause of the difficulties of the Nizam's Government, and the source of most of the oppression that is suffered by its subjects. The officers of the revenue being required to pay to the Government more than their districts can afford, are obliged, in their turn, to oppress the inhabitants by plunder and confiscation.

7. In some degree, the weakness and disorders of the Nizam's Government, are the necessary consequences of his political condition. An alliance with us, upon the subsidiary system, however it may contribute to the advancement of our own power, leads inevitably to the ultimate destruction of the state which embraces it. Diversities of national character and political situation will affect the manner and period of its action, but cannot prevent the result itself. The Mahometans have survived Marhattahs; the Nizam is dying comatose, while the Paishwah has expired in convulsions; but the destiny of both originated in the same cause, and tended inevitably to the same termination. If we owe the foundation of our empire in this country to the weakness in which we found the Native Powers, we ought not to complain of the evils which that weakness necessarily produces. If we have reaped the benefits, we must be content to witness the inconveniences which are its inseparable attendants. Yet evils may be palliated, which cannot be radically cured. The crisis may be retarded, though it cannot be averted altogether. And if it be true that a part of the mischief has arisen from the predominance of our power, it is, for that reason, the more incumbent upon us to endeavour to apply the remedy.

8. The disorders of the Nizam's Government are those more of the system itself, than of the agents by whom it is administered. They are not, therefore, to be corrected by any partial measures. Particular complaints are easily redressed, and particular abuses removed; but any plan of reform, to do effectual good, must be general and comprehensive. Such a plan, under the pre-

* When this was written, I did *not* compute the debt of the Nizam's Government at more than fifty lacs of Hyderabad rupees, or £375,000; a sum quite inconsiderable when compared with the scale of his exertions. The amount of debt, however, is no criterion of the condition of a native Indian government. If an European government wants money beyond the limit of its ordinary resources, it borrows on the security of its future revenue. Among Indian governments, as there is no credit, there can be no borrowing. Extraordinary demands produce extraordinary exactions, by which the inhabitants are driven to emigrate; lands are thrown out of cultivation, and the various sources of prosperity are otherwise injured. In Europe, therefore, the distresses of a government may be measured by the increase of its debt; in India, by the decrease of its revenue.

sent circumstances of the Nizam's Court, can proceed from no other source than the authority of the British Government; and must have its foundation either in the diminution, or in the increase of our interference.

9. If there were any individual among the Nizam's own servants, qualified by his character and talents to exercise the functions of Government without controul, it would certainly be desirable that he should be made Minister, and that the correction of the evil should be left to the spontaneous efforts of his judgment and activity. But there is no such person to be found; nor, in the present condition of the Government, is it reasonable to expect that such a person should be found. It is among the necessary consequences of the dependence of one state upon another, that men of that description are not produced. There is no field in which their talents can be either formed or exercised; and it is with faculties as with commodities that the production depends upon the demand.

10. The Nizam himself has not a single quality to fit him for the administration of his own affairs. His charcter is a compound of folly and madness, of obstinacy and caprice. He often betrays a capacity for artifice and cunning, but never shews any indication of an upright manly understanding. The only instance, in which he has been at all consistent, is his hatred of us, and his resistance of every measure in which he thinks we are interested. Whatever method of reform your Lordship might suggest, would be sure of encountering his decided opposition. Even if it were determined to leave him the uncontrouled administration of his own affairs, he would not be satisfied. He would resist the proposal, if for no other reason, at least because it had proceeded from the English Government. He would then insist on having a Minister; and his only anxiety would be to choose one who should not be acceptable to us. On the death of Azim ool Omrah, in 1804, we forced Meer Allum on the Nizam; and so many of the inconveniences, which attended his administration, were considered (with what justice it is not now necessary to examine) as having arisen from that source, that when Meer Allum died in 1808, it was determined to abstain altogether from interference, and to leave the Nizam the uncontrolled selection of his own Minister. The two principal candidates were Mooneer ool Moolk and Shums ool Omrah; of whom the Nizam hated Mooneer ool Moolk, and liked Shums ool Omrah. But he professed to be undecided between them, and would not declare his choice, until he discovered which of the two was preferred by us. He applied to the Resident, Captain T. Sydenham, who declined giving an opinion, but recommended him, if he felt any difficulty, to refer to the Governor General. The Nizam accordingly wrote to Lord Minto, requesting his advice; and having ascertained by his Lordship's answer that we favoured the pretensions of Shums ool Omrah, he was at once decided in favour of Mooneer ool Moolk. His only object from the beginning was to ascertain which of the candidates we preferred, in order that he might appoint the other; and by this spirit of senseless, obstinate counteraction your Lordship will find him influenced on every occasion. Of all the persons who have ever been connected with him, in public or private life, no one has ever been able to make a lasting impression upon his regard. He has had momentary favourites, who flattered his prejudices, or ministered to his vices; but nobody ever retained his confidence long, or was able to employ it usefully. Chundoo Loll has invariably behaved towards him with the utmost deference and respect; he has studiously avoided every appearance that was likely to give him offence; and although his devotion to our interests alone is fatal to the Nizam's confidence in him as a public man, I still believe, that if the Nizam has in his heart a personal regard for any body, it is for Chundoo Loll.

11. As to Mooneer ool Moolk, such is his weakness and duplicity, that he can neither trust himself, nor will ever be trusted by any body else. His whole talent, such as it is, and his whole delight and occupation, consist in stratagem. He would intrigue even without an object; and absurd as it may seem, I almost believe he would rather not attain his end at all, than attain it by fair

and open means. Nor are these defects of character redeemed by any useful qualifications. He has no strength of understanding, no capacity for business, nor any experience in the higher branches of Government. The very ground of our originally consenting to his being made Minister, was a proof of the contempt in which his character was held. He was allowed to fill the situation merely to prevent its becoming an object of competition to other people. The insignificance which disqualified him from doing any good, it was expected would disable him from doing any harm. Yet the whole of his time, and much of his money, have been spent in intrigues to obtain an authority, to which he swore upon the Koran, he would never aspire; and although he has not advanced his own interests, he has succeeded in widening the breach between the Nizam and Chundoo Loll, in sowing jealousy and dissension among the officers of Government, and in impeding and obstructing the public business.

12. Chundoo Loll is a most respectable man in his private character, and too far superior to his rival, as a public officer, to admit of any comparison between them. He has great industry, patience, and aptitude in all the practical branches of Government. He is indefatigable in his application, clear in his views, as far as they extend, and as a man of business, I hardly ever knew his superior. His long experience has given him an intimate acquaintance with the affairs of every department, and rendered him familiar with the manner of transacting them. He almost undertakes too much. Whatever is done, is done by himself; and even the bodily labour he undergoes, is surprising. He has great kindness of disposition, is easy of access, affable in his manners towards the lowest person, and never, I believe, knowingly authorised a measure of unjust severity. But he is too indulgent and compliant to those who are employed under him, and he is certainly deficient in that resolution, energy, and firmness, without which it is impossible to preside with effect over the affairs of a government. A fair mode of estimating the practical utility of a public officer, is to consider how his place could be supplied. If any accident were to happen to Chundoo Loll, no individual, I am persuaded, could be found under the Nizam's Government, capable of conducting the duties which are now discharged by him. With our support, he is qualified to make a better minister than any other that could be chosen. But he could not stand by himself. He has no rank, fortune, or connexions, to protect him against the jealousy of the Nizam, and the intrigues of Mooneer ool Moolk; and if we were to withdraw, or even to lessen the support which we promised him when he came into power, if he did not immediately retire, as in all probability he would do, he would soon be driven from his office. Those very qualities which constitute his principal recommendation with us, would be laid hold of by his and our enemies, as the readiest means of effecting his ruin.

13. Under any mode, in short, which could be devised of lessening our interference, I am convinced that the attempt, if we did not abandon it in time, would lead to the subversion of the Government. The fabric would sink under its own weakness; and the Nizam himself would probably become the victim of an insurrection of his subjects, and his country be made a scene of anarchy and outrage. New hordes of Pindarrees would spring from the disorder, and we should have to renew the measures which we have only just completed. The Nizam's Government cannot be upheld at all, if it is not upheld by us. To give effect to measures of reform, the authority of the executive minister must be strengthened, not impaired; and the vigour of that authority now consists in our support.

14. If we increase our interference, to do any effectual good, we must increase it largely. Notwithstanding the objections which I know are entertained against interfering in the domestic concerns of our native Allies, it is a melancholy but an unquestionable fact, that they have fallen into too abject a state of ignorance and weakness, to be left with safety to themselves; and I am persuaded that nothing short of a close, vigilant, decided controul over

the internal administration of the country, will be attended with any real or lasting benefit. But this controul should be exercised through the medium of advice and influence, and not by the direct exertion of authority. We should improve and direct the implements of the country, and not introduce new ones of our own. I would rather enlarge the sphere, than increase the degree of interference. In matters in which we do interfere, I would not interfere more; but I would interfere in many matters, in which we have never yet interfered at all. I would exert, in short, the same influence in correcting the abuses of the internal administration, that we now apply to objects immediately connected with our own interests.

15. Chundoo Loll is the person I would employ as the chief instrument of reform. The preference is due to him, both because he is fitter than any other person, and because, as long as he is willing to act upon our principles, we are bound to support him as the reward of his fidelity; to serve him, because he has served us. I could begin by frankly and fully disclosing to him the object of our views. I would tell him what we expected from him, and what he might expect from us. Without a thorough mutual understanding, nothing could be attempted with effect.

16. The first object will be the reduction of expense, to make room for the remission which it will be absolutely necessary to allow in the revenue. This indeed, easy as it may at first appear, will be the most arduous part of the undertaking. Every retrenchment that is made, and every abuse that is corrected, will be attended with a pecuniary loss to some person or other; and Chundoo Loll would be unlike other men, if he were not reluctant either to injure his friends, or exasperate his enemies. But this reluctance must and will be vanquished; and the first step towards vanquishing it, will be to explain to him the claim which your Lordship recognizes in him to your protection. He must be convinced, at the outset, that he may rely confidently on the support of the British Government. Without that conviction on his mind, he neither can nor will attempt any thing effectual. It will be necessary, not only to encourage his efforts, but to repress the counteraction of his enemies; for enemies he will have, who will view with eager dissatisfaction the adoption of any measures calculated to increase his reputation, or confirm his power.

17. The facility of making an immediate remission in the revenue would of course be materially promoted, if the Minister had the command of a sum of ready money to set out with. Had Chundoo Loll any money of his own, I am convinced he would disburse it on such an occasion. The present Nizam will never be prevailed upon to furnish any aid out of his private treasures; but in the event of his death, a condition might be made with his successor, that he should advance such a sum as might be necessary for the relief of his own finances. Many instances might at once be pointed out, where a saving might be made to the Government, without the violation of any just right; in the reduction, for example, of troops which are useless or unnecessary, or in the resumption of Jagheers or pecuniary stipends, granted for the support of troops which have never been kept up. Of the whole of the troops also, which are maintained by payments from the Treasury, I would make a proportionate reduction in every party. The reformed horse might be allowed to die away to three rissalas of six hundred, instead of four of one thousand each; the six regular battalions might be reduced from eight hundred to a peace establishment of six hundred privates each. In this alone, the saving, on the scale of the Nizam's resources, would be considerable. At all events it would be a step in the process, and would serve as both an example and an encouragement for the remainder. Some of the irregular battalions might be abolished altogether; and I have no doubt, that on a rigorous inquiry, some nominal parties will be found, of which the reduction would be a clear gain to the Government, without occasioning the discharge of a single individual. Numerous opportunities of retrenchment would be discovered in the progress

of the plan. Facilities would arise from the correction of each successive abuse, and the Minister would find himself rewarded in the relief he would experience from his difficulties, and would acquire additional confidence in proportion as he found us determined to support him against the hostility, which every Minister in every country must encounter, who attempts to introduce a system of retrenchment and reform.

18. The reduction of expense, and the establishment of a system of general economy, would alone materially facilitate the relief of the inhabitants of the country. The pressure of every burden falls ultimately on the cultivator of the soil. Men in office are not unjust or oppressive from choice. The collectors of the revenue will not press the inhabitants of their districts, when they are not themselves pressed by the Government. The original system of revenue under Indian Governments is better perhaps than any other which could be substituted for it. The talents and characters of the different Talookdars are generally well known. I would recommend the minister to employ those only who have a good reputation, and systematically to exclude those who are notoriously rapacious or oppressive. The districts should be given to them in *Amanee*, not in *Ijarah;* that is to say, they should be collectors, not farmers of the revenue. A pledge of protection should be given to them against exaction on the part of the Government, and they should be peremptorily warned against practising extortion or confiscation in their districts. One of the most fertile sources of immediate injury is the want of faith in agreements. Every *Cowl*† should be held sacred. The Ryot should never be required to pay more than the assessment for which he stipulated. If he is pinched to fulfil his engagement in a bad season, he should be allowed to enjoy the whole of his profit in a good one. Whenever an act of plunder, oppression, or breach of faith, was discovered, it should be severely and summarily punished. Examples will be efficacious though injunctions fail. The people who suffer will always complain, where they know their grievances will be redressed; and in a country where litigation is not encouraged by regular tribunals, it is surprising how few false complaints are preferred. Many complaints which could not reach the Minister, would reach the Resident, and the knowledge of the simple fact that grievances were redressed, would of itself encourage the inhabitants to prefer complaints, and restrain the local officers in the exercise of their authority.

25. Upon a subject of such magnitude; and embracing such a diversity and multiplicity of detail, it is impossible to do more, within the limit of a single letter, than suggest the principles, and sketch the outline of a plan. This, therefore, is all that I have attempted. Correct details, though indispensable to the execution of the measure, are not necessary for determining the principles of it, and can be procured only by degrees. If I have added any thing to your Lordship's knowledge of the real condition of the Nizam's affairs, or of the views and characters of the leading individuals of his Government; if I have exhibited the objects which require to be attained, and the means which are likely to be most successful in attaining them, with sufficient distinctness to assist your Lordship's judgment in deciding on those to which a preference is to be given, I have done all that I can, at present, desire. The rest is ministerial; and I hope I need not profess the zeal and alacrity, with which my humble abilities will always be exerted in the execution of your Lordship's orders, or the satisfaction with which I should hereafter remember, that I had been, under your Lordship's direction, a successful instrument in the performance of so great and good a work.

* Promise or engagement.

A LETTER

TO THE

COURT OF DIRECTORS

OF THE

EAST-INDIA COMPANY;

ON THE

SUBJECT OF THE PECUNIARY TRANSACTIONS OF

MESSRS. WILLIAM PALMER AND CO.

WITH THE

GOVERNMENT OF HIS HIGHNESS THE NIZAM.

BY SIR WILLIAM RUMBOLD, BART.

THE CHAIRMAN, DEPUTY CHAIRMAN, AND DIRECTORS

OF THE

EAST INDIA COMPANY.

Honourable Sirs,

To reply to a body of charge extended over a mass of papers, so voluminous as that lately published by your Honourable Court, relative to the transactions between the House of William Palmer and Co. and the Government of his Highness the Nizam, would, in any circumstances, be a task of no common difficulty. In the present instance, that difficulty is greatly increased by a variety of considerations. I have no means of referring to the papers of the House, or availing myself of the assistance of the principal and managing partner. For the defence of our transactions, I have access to those documents only which have been selected by our enemies, and put together by them as constituting the grounds of charge against us. The force of the allegations, which I have to repel, has been increased by the boldness with which they have been advanced, by the length of time during which they have prevailed without any explanations or answers, and by the weight necessarily belonging to assertions and opinions supported by the authority of official station. I have to contend against the pernicious influence of a statement abounding in imputations of the gravest and most opprobrious cast, and calculated most injuriously to bias the public mind. In proportion, however, as the subject has been examined, I am disposed to believe that the force of mischievous prepossession has, in some degree, subsided; that a more just estimate of the principles on which the question stands, and a more accurate conception of the details which it embraces, has begun to prevail, and that impressions which had for a time depended upon speculative opinions, are now capable of being examined with reference to practical results.

If the vindication of the House were to be addressed to your Honourable Court alone, my task would be comparatively easy. You are conversant with Indian affairs, Indian character, and Indian habits; and must be sensible of the impracticability of estimating the merit of Indian transactions by the standard of English usage or opinion.

But the publication of the Hyderabad Papers has arraigned us before the English public; and I daily experience the difficulty of conveying, even to the most intelligent persons, who have been educated in principles and notions exclusively English, an adequate conception of the merits of a case, depending in a great measure upon the condition of an eastern country, where peculiar manners, religious prejudice, and adherence to immemorial usage, have firmly

established an order of things wholly irreconcileable with European habits and opinions.

But, even under the pressure of these difficulties, I am not without confidence and encouragement. Next to my consciousness of the strength of my own cause, is the reliance which I feel in the justice of your Honourable Court, on your disposition to approach the subject without prejudice or partiality, and on your determination, after thoroughly examining the facts, to pronounce a dispassionate judgment. From respect to your Honorable Court, as well as to myself, I hope to avoid such language as that in which Sir Charles Metcalfe has not disdained to indulge. I am far from under-rating either his reputation or his talents; but the best minds and the highest talents may be warped by prejudice, and hurried away by passion. I am willing to hope that such has been the case in this instance. At all events, I have no doubt of being able to satisfy your Honourable Court that the charges against the house of William Palmer and Co. originated exclusively in personal hostility; that they have been intemperately advanced, unsupported by proof, and hastily and unjustly received.

Before I enter on the body of the subject, I must shortly request the attention of your Honourable Court to the nature of my personal connexion with the house of William Palmer and Co. and to the circumstances under which that connexion was formed. The Bengal Government, in their political letter, dated the 26th July, 1823, state that the firm had, in 1815, "acquired a great accession of political influence in their nominal partner, "Sir William Rumbold; an acquisition which they well knew how to turn "to the best account, bringing no capital to the House," &c. That "it was "known I was involved in debt when I joined the House;" that I did not bring "either an accession of commercial strength and credit to the House, "or contribute to its success by any peculiar qualification in conducting the "details of its business;" that it was enough for the purpose of the Firm that I "was known to be under the special protection and patronage of the late "Governor General, and believed by the natives in general to be nearly connected with his Lordship by marriage;" and it is asked, "From what "other motive than to answer a purpose of the character above described, "did Messrs. William Palmer and Co. write to Sir William Rumbold to become a partner in the concern?"

There are some errors in the assertions made in these extracts: it is true I had debts, but if it is meant by that to imply that I had no property, the statement is not true. I must also deny the motive which induced Messrs. William Palmer, and Co. to invite me to join them. They did so at the request of Mr. John Palmer, with whom I had lived in habits of peculiar intimacy, from the time I reached Calcutta. As my private concerns have been brought so especially to the notice of your Honourable Court, I hope that I shall be excused for entering into some particulars relating to my intimacy with him. Mr. John Palmer is a very old friend of two gentlemen in England, whom I have known intimately from my earliest youth: to one of them, now a distinguished member of the Church, I owe deep obligations, for the kindness he bestowed upon me when I was under his care; the other, a respectable practitioner in the law, has been for many years the friend of my family. I was introduced to Mr. John Palmer, on my arrival in Calcutta, by an intimate personal friend of his, and these circumstances led to my friendship with him; to his entertaining great kindness for me, and to his forming an opinion of me which I shall ever be proud of, though it may have been the result of his partiality. It may have been from an impression in my favour so formed, that Mr. John Palmer was anxious I should join his brother's establishment.

The Rev. Dr. Moore.

Mr. C. Bicknell.

Sir Home Popham.

The communication from Mr. John Palmer on this subject was made in writing. His letter is dated May 2d, 1814, by which it appears that Mr. William Palmer had proposed to him to form a connexion with the House at

Hyderabad, which he had declined; and he requested, as a favour to himself, to be allowed to make a similar offer to me. Mr. John Palmer says: "On "the first of last month I broached the subject to Mr. William Palmer, the "head of that house, and I now quote his reply from a letter of the 18th in- "stant, this instant received :—

"*I should prefer coalescing with your House to any other arrangement*, in "this wish I consult *my feelings as well as my interest!* Our transactions are "lucrative, and would receive greater permanency than by any other arrange- "ment. However, if you do not propose taking any part in our speculations, "I *shall be very happy to adopt* YOUR *views regarding* Sir William Rumbold, "and I beg, if you can procure his accession to our plans, that you offer him "a share of two lacs of rupees in our House, which is equal to that of Currie, "and the Engineer; or, if you think it too little, that you offer him three lacs, "which will equal my own.

"In the event of our increasing our shares, which will certainly be the "case, his will be increased proportionably: *I beg you to understand that* "*it will be necessary for him to provide funds.*"

This, therefore, is the origin of the proposal which was made to me. Mr. John Palmer's letters to me from that time to the present day, have led me to believe that he did think I took an accession of commercial strength and credit to the house, and that I had qualifications to aid the concern, very different from any expected patronage and protection from the late Governor-General. Moreover, I did carry the proportion of stipulated capital, viz. three lacs, into the house. My credit enabled me to borrow that sum in Calcutta.

The consideration with which Lord Hastings did me the honour to look upon me, was certainly calculated to pre-dispose those with whom I was slightly acquainted, to form favourable impressions regarding me. Yet I cannot but believe that those impressions did exist in the minds of my friends, from circumstances wholly unconnected with Lord Hastings' friendship. My acknowledged character of an English gentleman, of some rank and connexions, carried with it weight, and did improve the credit of the House; and many persons, among whom were a number of my private friends, did in consequence invest their property in it

Your Honourable Court will perceive, from a paper in the Appendix, that the creditors of the House reported that I had left the firm on the 1st Nov. 1823, with the consent of my partners. In a letter from the House to Sir Charles Metcalfe, my retirement is announced as having taken place on that day, in consequence of a letter from Sir Charles Metcalfe to Messrs. William Palmer and Co. I was not consulted upon that occasion: I had left India for * 521.
England. It was conceived by the members of the House, that if the English partners retired, they would be better able to wind up their affairs, as the new construction of Acts of Parliament which had been at that time communicated to them, could only apply to the English partners. For that reason, and with the hope of disarming hostility towards the Firm, which was supposed to proceed, in a great measure, from hostility to me, my retirement was announced. I was entitled to an equivalent for my shares, which I have not received, and which would have been given to me had the difficulties of the House not increased, till they ended in the suppression of its dealings.

Exaggerated reports of my property have been circulated, and it has been stated that I brought home large sums in bullion. Your Honourable Court will perceive in the Appendix, some extracts of letters from Mr. William Palmer to me, which, together with the satisfaction expressed by the creditors of the House at the conduct of the Firm generally, is sufficient evidence of the incorrectness of those reports.

* The figures in the margin refer to the pages in the Hyderabad Papers.

I proceed to reply to the allegations to be found in the Hyderabad Papers, regarding the house of Messrs. W. Palmer and Co. For the purpose of distinctness, I propose to arrange and consider the subject under the following heads, and in the following order:—

First, The Rates of Interest charged by Messrs. W. Palmer and Co.

Secondly, The circumstances of a Loan to the Nizam's Government, negotiated by Messrs. William Palmer and Co. in 1820, exhibiting the origin, progress, and conditions of that transaction.

Thirdly, The arrangements entered into by them with the Nizam's Government, for the payment of the Berar Horse and Aurungabad Troops.

Fourthly, The circumstances of an affidavit sworn to by Mr. William Palmer and myself.

Fifthly, The allowances received from the Nizam's Government by Mr. William Palmer and his relations.

Sixthly, The political influence, ascribed to Messrs. William Palmer and Co. and especially the exercise of that influence in the transmission to the Governor General of a letter of complaint from the Nizam's Minister against Sir Charles Metcalfe.

Seventhly, The effect of the transactions of Messrs. William Palmer and Co., first, on the Nizam's Finances; secondly, on the credit of the British name; and thirdly, on the commercial intercourse between the territories of the two Governments.

Eighthly, The measures adopted by the Bengal Government, under Mr. Adam, upon the representations of Sir Charles Metcalfe.

Ninthly, The subsequent proceedings of the Bengal Government towards Messrs. William Palmer and Co., comprehending the abrogation of their claims upon a number of their individual debtors, and terminating in the failure of the House.

In order to avoid any unnecessary interruption in the body of my address, I shall place in an appendix a series of detailed observations on Sir Charles Metcalfe's despatches, in which the charges against the loan were originally advanced, together with such other documents as I may have occasion to refer to for the elucidation or support of my statement.

RATES OF INTEREST.

I.—I begin with the rate of interest, because it is a question which fixes itself, with or has been made to affect, all the transactions of the House, and one which viewed in England, under the influence of English usages and notions, is calculated to excite an unfavourable impression regarding our whole conduct.

It would be unjust to decide at once that twenty-four per cent. was exorbitant or unreasonable interest at Hyderabad, because it would be so in England. The fairness of any such charges must depend upon the value of money in the country where the money is lent, and upon those other local circumstances which have concurred in fixing the rate. In the Nizam's territory there are no legal tribunals, and there is no limitation of interest by law; but custom there may be considered as the unwritten law of the country, and custom has established twenty-four per cent. as the lowest rate of interest. If a person were to charge twelve per cent. upon loans in England, he would be accounted culpable, because the law fixes it at five; and rapacious, because the market rate is under four; yet twelve per cent. is

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the legal interest in Calcutta: it was the rate formerly paid by the Company's Government, and so lately as the year 1800, it was difficult to obtain money at that rate, and the twelve per cent. Government Bonds were at a discount. There must have been some good and valid reason to induce the Legislature to fix that sum as the legal interest in Calcutta. It is possible that at the time the Act was passed, it was known that money could not be obtained for less; but whether that were the case or not, it is reasonable to believe that the difference between five per cent. and twelve per cent. was supposed to bear a just proportion to the relative security of property in England and property in India, and to the abundance or scarcity of money in those two countries. If this was the view of the Legislature, and if this difference between five per cent. and twelve per cent. was a fair calculation upon the relative value between those two places, in both of which there are British Courts of Justice, and British protection, it must appear obvious that the difference between twelve per cent. in Calcutta, and twenty-four per cent in Hyderabad, is not unreasonable; since in the latter there are no Courts of Justice of any kind, and scarcely any protection of property. At Hyderabad, moreover, all loans are made upon the principle of covering by the interest the rate of insurance upon the lives of the borrowers. The people there are in general poor, though a few large and even overgrown fortunes are every where to be found; the persons of rank are in constant need of loans, from their extravagant habits; the want of sufficient currency is generally felt; and the means of recovering debts can hardly be said to exist, as there is no way of effecting this, except by constant importunity, or through the favour of the Minister, the only real depository of judicial power. These circumstances have necessarily raised the rate of interest allowed by law or custom. Two per cent. per month, was the lowest ever known, until our house introduced a more favourable scale; four, five, and even six per cent. was taken openly and regularly from individuals; and the Pytans by various shifts received as high as eight. Even in Calcutta experience has proved that it is not too high. It was the usual rate charged for many years after I joined the House at Hyderabad; and during that period much heavier rates were paid by merchants of the best credit and character in Calcutta, even upon the security of the Government paper. I must beg the attention of your Honourable Court to the following passages in Mr. Russell's printed letter.

"To repay the two lacs of rupees, which Messrs. W. Palmer and Co. were "to issue monthly to the troops, the Minister was to give them, annually, "assignments for thirty lacs, the difference of six lacs being intended to meet "the deficiencies which invariably occur in realizing orders on the revenue. "In point of fact, it appeared by the accounts laid before Government, that "Messrs. W. Palmer and Co. in the first year, did realize only twenty-three "lacs out of the thirty. On the advances made by the house, it appeared "by the same accounts, that they charged one and a half per cent. a month for "interest, and a half per cent. for agency and commission, altogether two per "cent. a month for charges of every description. On the other side of the account the same two per cent. was allowed on all sums received by the House, "so that the actual charge was only on the balance. If, therefore, the Minister had but fulfilled his part of the contract, and his assignments had "been paid as they became due, not only would the transaction have been "unattended with any charge to him, or any profit to the House, but the "House would have had to bear the whole expence of the establishment, and "to pay the Minister interest on the balance which would then have been in "his favour. In considering these accounts, it is essential to observe that "the interest, if the whole two per cent. is to be called interest, was the sole "and only charge; there was no charge for agency or commission, nor any additional charge under any other head whatever. Separate charges of this "kind are an important feature in every merchant's accounts, and if they are to "be arbitrarily and indiscriminately rejected, and the whole of them resolved "into the charge of interest, it necessarily follows, that the interest charged in "every account made out by every merchant in England is usurious. The rate

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"also, to be estimated fairly, must be compared, not with the rates of interest in other countries, but with other rates in the same country. In England, the legal rate of interest is five per cent. In the English possessions in India, by the law of England it is twelve per cent. The Government at Hyderabad is Mahometan. The people are partly Mahometans and partly Hindoos; and as far as they can be said to observe any law, the two classes profess to be guided by their respective Codes.* By the Hindoo law, the rate of interest varies with the cast of the borrower, and the circumstances of the loan. The lowest rate mentioned by Menu, is fifteen per cent, and the highest sixty per cent. per annum.† By the Mahometan law, the prohibition of usury was adopted from the Jewish, but with this modification, the Jews are forbidden to take interest among themselves only;‡ the Mahometans are forbidden to take it from any body.§ This prohibition has not had the effect of making the Jews singularly conspicuous for the moderation of their pecuniary dealings. Among the Mahometans in India, it is utterly inoperative. They require to be paid for the wear and tear of their conscience, as well as for the use of their money. Practically, therefore, there is no limitation on the rate of interest at Hyderabad. Prohibitions and restrictions, where they are impolitic or unjust, serve only to defeat their own ends. Even in England the impolicy of the usury laws seems now to be almost universally acknowledged. The assize of money is following the assize of bread. But if our law originally allowed more than double the rate of interest which is legal in England to be taken in the English possessions in India, where there are English laws, and Courts and Judges, and all the securities with which property is invested in England, how could it prohibit a further increase in passing to a country where there are no laws, or Courts, or Judges, of any kind, and no security for debts, but the strength of the lender or the good faith of the borrower? Where money is abundant, security good, and laws effective and impartial, the rate of interest will be low. Under the reverse of those conditions, it will of necessity be high. Upon what principle therefore, can the English law attempt to fix the rate of interest in a foreign country, where it has no power or pretension to affect any of the circumstances by which that rate must universally be regulated? The remedy to do any good must be applied not to the symptom but to the disease. In Bengal, I myself have bought the East India Company's twelve per cent. securities at a discount. At Hyderabad the lowest rate paid by the Government was three per cent. a month, (interest in Indian countries being designated by the monthly, not the yearly rate), and so low was the Nizam's credit, that even on those terms the Minister was unable to raise any considerable sum."

Pages 6 & 7.

"When the House of Messrs. W. Palmer and Co. was legally empowered by the Governor-General in Council to lend money to the Nizam, the question of interest was distinctly considered. The Advocate-General was called upon by Government for his opinion, and he held that the law limiting the rate of interest in India to twelve per cent. did not extend to Hyderabad, as a foreign territory.‖ The details of that opinion were not accessible to the public, but it was known and seen that the Government deemed it to be sufficient. The accounts exhibiting the rate charged by the house at Aurungabad were circulated among the Members of Government, and remained upwards of a month under their inspection. It was obvious, therefore, to conclude that in their deliberate judgment, also, that rate was not objectionable. In point of fact, it is explicitly recorded in the deliberations in Council, that Government knew twenty-four per cent. to be the rate of interest charged by Messrs. W. Palmer and Co. in their transactions with the Nizam's Minister;¶ and when the formal sanction was afterwards given by Government to the sixty-lac loan, it was given under the declared knowledge, that the interest to be charged by the House

* Appendix C. p. v.
† Institutes, ch. 8. sec. 140—142. p. 207.
‡ Duet. ch. 23. v. 19.
§ Sale's Koran, vol. 1. ch. 2. p. 49.
‖ To Mr. Secretary Adam, 19th July, 1816. Hyd. Papers, p. 5.
¶ Mr. Fendall's Minute, 7th July, 1820. Hyd. Papers, p. 49.

" was to exceed twelve per cent. per annum. If the law of England had " extended to Hyderabad, the House could not legally have lent money at " all; for it allowed twelve per cent. interest to all its constituents on open " account. To natives, when it required money on an emergency, it was " of course obliged to pay more. I have heard, and I do not doubt the " fact, that the House has paid as much as two per cent. a month."

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Mr. Russell's printed letter, page 9.

When Messrs. William Palmer and Co. addressed a Memorial to the Governor-General in Council, in 1816, soliciting the licence, they did not conceal that they had been concerned in pecuniary arrangements with the Government of the Nizam, which might be brought within the 37th George III. by a rigorous construction; they further stated, that they had been instrumental in reducing the rates of interest formerly exacted by the Patans and Gosains, in the Nizam's territories, and that the value of money in that part of the world must rise and fall in proportion to their credit. They had thus, explicitly and honestly, apprised the Governor-General in Council, that they had been led to do what they feared might be considered contrary to the strict letter of the statute. They had disclosed the manner in which their transactions affected the rates of interest, and had thus themselves purposely drawn the attention of Government to the fact of their taking, as they were obliged to do, those rates, which the circumstances of the country justified, and the customs legalized, but which of course were no more agreeable to the legal rates in the Company's territories than to those in Europe.

The nature of the exactions of the Patans and Gosains, to which they alluded, was well known to the British Resident, to whom the Memorial was submitted for transmission to the Governor-General in Council. The state of the credit of the Nizam, and the interest of 36 and 48, which his loans from native bankers bore, were matters too notorious not to be perfectly well known to every Member of Government in Calcutta; and there could be no doubt, that when the prayer of the Memorial was complied with by the unanimous voice of the Council, that Council was fully aware that it gave a sanction to transactions, upon which the rate of interest greatly exceeded 12 per cent. The omission of any qualification, whatever, respecting interest, in the licence given, is of itself decisive; and is a plain allowance of the right to take the interest of the country.

This view of the question is confirmed by the application which was made to the Advocate-General, Mr. Strettell, by order of the Governor-General in Council, for his opinion upon the legality of granting the licence. In Mr. Strettell's opinion, he refers to a letter received from Mr. Adam, on the 13th instant, calling for that opinion. The letter itself is not printed among the Hyderabad Papers, but it can scarcely be doubted, from the tenor of Mr. Strettell's reply, that it does contain evidence of the Council being aware that the firm could not lend money at 12 per cent. If that were not the avowed reason for consulting Mr. Strettell, it is difficult to conceive for what purpose his opinion was required. There could be no other legal objection to granting the licence, which the Act of Parliament authorized the Governor-General in Council to give. Mr. Strettell evidently knew, either by the communication from Mr. Adam, or by the notoriety of the fact, that the licence would be of no use, unless the firm could take more than 12 per cent; and he seems to have considered this as the cause of the application to him.

S.

It was held by Mr. Strettell upon that occasion, and by his successor, Mr. Spankie, who was consulted in 1823, that the Act of Parliament limiting the rate of interest in the Company's provinces to 12 per cent. did not extend at all to transactions in the countries of the Native Princes, as far as regards the criminality of taking more; and that it only makes the securities void in cases where the loan is made in furtherance of some transaction within the Company's territories.

S. 411 and 412.

It has lately, I understand, been declared by some of the Law Officers in

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England, that it is contrary to Acts of Parliament, for British subjects to demand a higher rate of interest than twelve per cent. per annum in the territories of independent Native Princes in India. I will not presume to advance an opinion in opposition to such authorities; but whatever construction may now be given to those Acts of Parliament, the legal opinions in India have been uniformly as I have stated them.

The first doubt as to their correctness was expressed by Mr. Canning, in the House of Commons, on the 29th July, 1822, and he then declared that the law was so ill defined as to require an explanatory Act.

"In 1773," said he, "the first law was passed, restraining the rate of in-
"terest in India. It was not of a penal nature, but it prohibited the taking
"of a larger interest than twelve per cent under the risk of forfeiture both of
"principal and interest. It had been suggested that this law extended only
"to the British territories in India, and was not applicable to loans made out
"of those territories. He did not mean to give an opinion on the subject, but
"the doubt having once been started, he thought it expedient that some decla-
"ratory Act should be passed upon the subject. In 1797, an Act was passed to
"restrain, not by forfeiture, but by criminal penalties, the lending of money to
"Native Princes of India, by British subjects. By this Act, however, an excep-
"tion was made in favour of such loans as were made under a written permission
"either of the Court of Directors at home, or the local Government abroad.
"It had been a question, whether the local Government in India could raise
"money by loans, and afterwards lend it to the Native Princes, which would
"be a great advantage to the Government, because it could obtain money at
"six per cent. whilst it was well known that the Native Princes paid as high
"as thirty per cent. A decision had been given against the right of the Go-
"vernment thus to act, but he decidedly differed from this construction of
"the law. He hoped that the Right Honourable President of the Board of
"Controul would see the necessity for passing some declaratory law upon
"this point, as well as the other to which he had before alluded."

See the Debates in the House of Commons, July 29, 1822, in the Times newspaper.

Messrs. William Palmer and Co. took for their guide the construction which had been uniformly put upon those Acts of Parliament by your Governments in India, by your Law Officers there, by your Honourable Court, and by the sanction of the Parliament of Great Britain---the construction which moreover had invariably been acted upon by individuals, and which never had exposed them to censure.

Messrs. William Palmer and Co. need not assert, that if they have transgressed the law, they have done so from ignorance; but they go further, and affirm, that they have acted in conformity to what has hitherto been declared to be the law in the countries under your Government, by the highest authorities to whom they could look. In proof of this assertion I will adduce:

First, The Bengal Regulations.

These are the Statute Laws of the Bengal Provinces, and are framed for the guidance of the Judges in the Company's Courts beyond the town of Calcutta; they are drawn by the Law Officers of the Crown, and the Company---passed by the Governor General in Council, by virtue of powers which the Statute vests in him---registered in the Supreme Courts of Judicature, and laid yearly upon the table of the House of Commons They contain the following enactments:---

"Bengal Regulations, 15th of 1793.

"The late regulations regarding interest on past and future loans not pro-
"viding for cases in which a higher interest than the general legal rates is
"allowed to be taken, the following rules, containing provisions for such

" cases, and including the above-mentioned Regulations, with modifications, " have been enacted."—(Preamble.)

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" If the cause of action shall have arisen before the 28th day of March, " 1780, the Courts of Civil Judicature are not to decree higher or lower " rates of interest than the following."—(Sec. 2. c. 1.)

" On sums not exceeding 100 sicca rupees, 3 rupees, and 2 annas per " cent. per mensem, or 37 rupees and 8 annas per cent. per annum.—Sec. " 2. c. 2.

" On sums exceeding 100 sicca rupees, 2 per cent. per mensem, or 24 " per cent. per annum.—(Section 2. c. 3.)

" If the cause of action shall have arisen at any period between the 28th " day of March, 1780, and the 1st day of January, 1793, no higher or lower " rates of interest than the following are to be decreed.—(Section 3. c. 1.)

" On sums not exceeding 100 sicca rupees, 2 per cent. per mensem, or 24 " per cent. per annum.—(Section 3. c. 2.)

" On sums exceeding 100 sicca rupees, 1 per cent. per mensem, or 12 per " cent. per annum.—(Section 3. c. 3.)

" If the cause of action shall have arisen on or after the 1st day of January, " 1793, the Courts are not to decree any interest on any sum whatever above " the rate of 12 per cent. per annum."—(Section 4.)

The Bengal Regulation 34 of 1803, providing for the rates of interest in the Provinces, ceded to us by the Nuwab Vizier, contains the following enactments :—

" If the cause of action shall have arisen before the 10th day of November, " 1801, the Courts of Civil Judicature are not to decree higher or lower rates " of interest than the following.—(Section 2. cap. 1.)

" On sums not exceeding 100 sicca rupees, 2 rupees and 8 annas per cent. " per mensem, or 30 per cent. per annum.—(Section 2. c. 2.)

" On sums exceeding 100 sicca rupees, 2 per cent. per mensem, or 24 per " cent. per annum.—(Section 2. c. 3.)

" If the cause of action shall have arisen on or subsequent to the 10th day " of November, 1801, the Courts are not to decree interest on any sum " whatever above the rate of 12 per cent. per annum."—(Sec. 3.)

The Act of the 13th George III. is now said to have limited the rate of interest to twelve per cent. all over India. The first of the above regulations was passed twenty years after that Act, and authorised the recovery of interest at the rate of thirty-seven and a half in some cases, and twenty-four per cent. in all other cases, in the Company's Courts, on debts incurred in the Company's territories before the 20th March, 1780, which is seven years later than the 13th George III.; and it authorised and prescribed the recovery of twenty-four per cent. interest in the said Courts, on small debts incurred in the Company's territories up to the 1st January, 1793, which is twenty years later than the 13th George III.

The second of these regulations was passed in 1803, thirty years later than the 13th George III., and ten years later than the 33d George III. and six years after the 37th George III.; and it directs the Judges in the Company's Courts of Judicature to decree thirty per cent. per annum, in some cases, and twenty-four per cent per annum in all other cases, upon debts incurred be-

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fore the 10th of November, 1801, in the territories which were ceded on that day to the Company by the Nuwab Vizier.

If the Act of the 13th George III. had been considered as restricting the rate of interest all over India, and as in restricting the powers of the Governor General in Council to sanction the recovery of higher interest than twelve per cent., would any of those regulations have been passed?

If the 13th George III. had been considered to extend to the territories of Native Princes, would the regulations of 1803 have been passed? and how could the very Government which had passed these regulations (by which it was acknowledged that thirty per cent. and twenty-four per cent. were recoverable rates of interest in countries where there are no Courts of Judicature) subsequently declare that these rates had been made illegal by Acts of Parliament, all of which had passed many years before those regulations were enacted?

5. Second, The opinion of the Advocate-General in Bengal, given in 1816, is the next authority to which I refer; and when Mr. Strettell gave that opinion, the firm did not act incautiously upon it. I was then in Calcutta, and I wrote to request that Mr. Strettell would make an appointment with me, being anxious to obtain an opinion from him, for the satisfaction of the House. The following is a copy of his answer.

"MY DEAR SIR,

"I shall be at home at 5 o'clock, but if you only wish to speak to me about "a case referred to me respecting Messrs. Palmer and Co., it is quite unne- "cessary to give yourself the trouble of calling, as I have no doubt of the law "upon the subject, and have only been prevented from sending my opinion "by my having been in Court.

"Yours truly,
(Signed) "EDWARD STRETTELL.

"To Sir Wm. Rumbold, Bart.
"July 18, 1816."

411. Third, The careful and even elaborate opinion of Mr. Spankie, the Advocate-General, on the 14th February, 1823.

Fourth, The sanction given by the Governor-General in Council to the Aurungabad arrangement after the accounts relating to it had been submitted officially to the Government.

Mr. Russell to Mr. Metcalfe, p. 21. Order in Council on the 7th Dec. p. 23. Mr. Metcalfe to Sir W. Rumbold, page 735.

Those accounts contained the fullest information as to the rates of interest charged by the House (page 22), which were stated to be twenty-four per cent. including interest, commission, and expences.

55. Fifth, The sanction given by the Governor-General in Council to a Loan from the House to the Nizam's Government, at a rate of interest, which was stated by the Members in Council to be considerably greater than twelve per cent. per annum, on the 15th July, 1820.

Mr. Stuart's Minute, p. 46. Mr. Fendall's Minute, p. 49. Lord Hastings' Minute, p. 50. P. 83, Par. 76.

Sixth, The sanction given by your Honourable Court to that loan on the 28th November, 1821.

Seventh, The payments made to the house by Sir Charles Metcalfe, with the approbation of your Government; and which were specially directed by him to be carried to the credit of an account, known by him to be bearing Interest of twenty-four per cent. per annum.---June 6 and 18.

Mr. W. Palmer's Memorial, par. 80, 81, 84.

If, therefore, Messrs. William Palmer and Co. have acted in opposition to what is now thought to be the true meaning of the Acts of Parliament, they

appeal for their justification to the great official authorities under whose opinions and sanctions they have acted; and the high functionaries and bodies whose example they have followed. RATES OF INTEREST.

Upon the fairness of their claims no discussion can arise, since they have been invariably admitted to be just by the parties against whom they are preferred, and are founded upon the express agreements entered into with those parties.

Messrs. William Palmer and Co. aver that their charges were not only justifiable, upon the grounds which I have stated, but that they were reasonable in the circumstances of the transactions. In proof of this they allege—first, the value of money in Bengal during a considerable period of the proceedings at Hyderabad---secondly, the want of credit of Native Princes in general, and the rates of Interest which the insecurity of property has established in their territories---and, thirdly, the state of the money market at Hyderabad before the establishment of the House, during its continuance, and since its failure.

I.—The rates of interest which were prevalent in Calcutta during a considerable part of the time, to which the accounts of Messrs. William Palmer and Co. refer; and also the high value of money at that Presidency, at certain times, must be well known to many members of your Honourable Court, and will, I trust, be sufficient to prove the impossibility of raising money upon moderate terms for a Native Government during those periods. Calcutta.

In corroboration of these points, I beg to submit to your Honourable Court the written testimony of several gentlemen, at present in England, of the highest character, information, and credit, who have favoured me with letters for this purpose.

Sir William Burroughs, formerly Advocate-General, and afterwards a Judge of the Supreme Court of Calcutta, has thus expressed his opinion :---

" The legal rate of Interest with respect to European lenders, was twelve " per cent.; but in the latter end of Lord Teignmouth's Government, he found " some difficulty, as did Lord Wellesley on his first arrival, in borrowing on " public security at that rate, on notes payable peremptorily at the end of two " years after date, and the interest in the meantime payable half-yearly.

" Accepted Bills could not be legally *discounted* in the common way by " Europeans at more than twelve per cent.; but the *purchase* of such Bills " was not, I apprehend, illegal, even at twenty or twenty-five; and I believe " such purchases were often made. The natives of India, even in Calcutta, " were deemed by many lawyers not within the law, which limited interest to " twelve per cent., or at least not subject to penal actions founded on it; and " in other parts of India, the natives were at liberty to borrow at much " higher rates; and it is very well known that they often borrowed at much " higher rates than twenty per cent."

Mr. Fulton, who was for many years in the house of Mackintosh, Fulton, and Co. states :---" I can readily declare, that money has been at times so " difficult to raise in Calcutta, that I have heard of very high premiums " being paid for it, even with the collateral security of Government paper, " lodged to protect the loan. One instance I have heard of, where three per " cent. per month, with collateral security, was said to have been given, for " a short period; and another, where a note, on the security of the maker " only, for three hundred thousand rupees, at twelve months date, was said to " have been sold for two hundred and twenty-eight thousand, the discount " being at twenty-four per cent. per annum. These sacrifices arose, not " so much from the want of credit in the borrowers (the instance of three " per cent. per month, with collateral security, shews this) as in the neces-

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" sity they found themselves under in raising funds, while cash was scarce; " and of this necessity the natives, who can by law deal in usurious transac- " tions with impunity, will never fail to avail themselves. I have no means, " but from recollection, of fixing a period for the transactions to which I al- " lude; but I think they must have taken place from 1817 to 1819."

Mr. Small, of the firm of Smalls and Lane, in London, who has recently returned from India, states that: " the rate of Interest in Calcutta, was " frequently in the course of the period between the years 1816 and 1819, " although nominally twelve per cent. only, even as high as thirty per cent.; " I was credibly informed that some very respectable houses in Calcutta, " borrowed money in the following manner; when compelled to borrow " money during a scarcity, instead of granting a promissory note for the precise " sum borrowed, the same bearing Interest at 30 per cent; the borrower " received perhaps 80 to 90 rupees, and gave his note for 100, bearing " interest at 12 per cent; (I mean in that ratio) thus, masking the transac- " tion, to preserve the legal claim of the lenders, and at the same time to " protect the credit of the borrowers."

" At the time alluded to, the Exchange, (Calcutta on London,) was fre- " quently 2s. 10d. sterling per sicca rupee; thus proving the scarcity and " consequent value of cash. Now that money has become plentiful in India, " Exchange, (Calcutta on London) rates at about 1s. 10d. to 1s. 11d. per " rupee, only; or fully thirty per cent. below the rate which governed at the " period referred to.

" It is to be clearly understood, that the foregoing remarks apply exclu- " sively to really most respectable borrowers; where the credit of the bor- " rower was at all doubtful, much higher rates of interest were required, " and given, than those above quoted."

Mr. Melville (who was connected with one of the principal commercial houses in Calcutta) states, " during one portion of the period (the years " 1816 to 1819) I think 1818 and 19, money was so extremely scarce, that " it was with difficulty any considerable sum could be obtained even on the " best security, at twelve per cent. It was generally believed at that time, " that some houses in the place were raising money amongst the natives on " terms equivalent to an interest of twenty to thirty per cent. I believe this " statement will be corroborated by all who had experience of money mat- " ters in Calcutta during the period referred to."

Mr. Reerson, who was in the same house with Mr. Melville, states: " I re- " collect perfectly that a great scarcity of money prevailed, for the whole of " that period, (from 1816 to 1820), particularly in the years 1818 and 19, " when the extensive engagements of some of the houses obliged them in " many cases, in dealing with the natives, to submit to conditions in borrow- " ing equal to an annual interest of twenty to thirty per cent. and in some " instances I was told even higher for temporary accommodations. The ad- " vantage which the natives take of such occurrences of scarcity of cash is " well known to persons who have been in India."

Native States generally.

II.—Upon the subject of the want of credit, and of the high rate of interest paid for money in Native States in general, the strongest evidence is afforded by the Bengal Regulations of 1803, above referred to. When the Bengal Government directed the British Courts of Judicature to decree thirty per cent., and 24 per cent. interest, upon the debts incurred in the provinces of the Nuwab Vizier, it cannot be doubted that those were considered just and moderate rates, as connected with the risks incurred by the lenders.

In Mr. Russell's letters to your Honourable Court, is the following pas-

sage—" Sir John Malcolm says, that in Central India, the richest bankers " mix in the petty revenue details of the smallest village; that on the Seed " which they supply to the cultivator, they claim by usage in good seasons, " fifty per cent.; and that on the advances made by them in kind, for the " support of the families employed in husbandry, the interest is sometimes " fifty, but more frequently twenty-five per cent. For money advanced to " purchase bullocks, or implements of husbandry, he states the common " charge of interest, to be twenty-four per cent. per annum, which, he adds, " " is not immoderate considering the risk incurred by the bankers." In the " Paishwah's territory, which has suffered much less than the Nizam's from " external violence, or domestic distraction, Mr. Coats states that the usual " rate of interest was twenty-four per cent., but that on small sums, it was " often forty per cent. per annum.

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Memoirs of Central India, 8vo. Ed. vol. 2 p 38.

III.—In proof of what was the prevalent rate of interest at Hyderabad before the establishment of the House, I will adduce :—

Hyderabad in Particular.

First. The testimony of Mr. Russell, confirmed by that of Mr. Robison. Mr. Russell says :—" At Hyderabad the lowest rate paid by the Government, " was three per cent. a month, (interest in Indian countries being designated " by the monthly and not the yearly rate,) and so low was the Nizam's credit, " that even on those terms the Minister was unable to raise any considerable " sum. This account of the condition of the money market at Hyderabad, is " confirmed by the statement of a very intelligent gentleman of the name of " Robison, who is perhaps personally known to some of the Members of " your Honourable Court. Mr. Robison himself conducted a mercantile " concern at Hyderabad before the establishment of Mr. Palmer's House, and " from taste, as well as in the pursuit of his professional avocations, was in " the habit of applying an acute understanding to the investigation of sub- " jects of this nature. Mr. Robison states : " When (after having been some " " time at Hyderabad, in charge of the house of Messrs. Colt, Baker, Hart, " " and Co.) I became acquainted with the state of the money market; I " " found that the ordinary rate of interest on sums lent on bond, to such of " " the Ameers* as had the character of being punctual, was two per cent. " " per month. At the same time those whose characters were not so high, " " or who proposed to give payment by Tunkas,† on their Jageers,‡ or Per- " " gunnas,§ had to make bargains with the Soucars,‖ according to the cir- " " cumstances of their cases, and generally paid considerably higher rates. " " When the Minister was pressed for money, I believe the regular Soucars " " were seldom willing to make advances on any terms, but the Gosains,¶ or " " Patans,** who had particular modes of exacting payment, made bargains " " to furnish the sums required, at a nominal rate of two or three per cent. per " " month. In such cases, some proportion of the loan was advanced in goods, " " (such as shawls, kimkaubs,†† &c.,) at exorbitant prices, often at two hun- " " dred per cent. on the invoice. The repayment of the loan was made in " " Tunkas, which were taken to the districts, by the armed followers of the " " Patans, who clothed with the name of Circar,‡‡ committed great excesses " " in collecting their demands. They were sometimes resisted by the inha- " " bitants, and lives lost in the conflicts. This resistance was often made a " " ground of imposing a fine by the Circar or the Aumildar;‖‖ who in his turn " " repaid himself by a larger one on the Ryots.¶¶ After the House of " " Messrs. William Palmer and Co. had been some time in business, the deal- " " ings of the Patans gradually became confined to persons whose character " " or circumstances were such as to deter the Soucars from dealing with " " them. The whole of my experience at Hyderabad, leads me to believe that " " the Minister could not have been supplied with money from any other " " quarter than the House of Messrs. William Palmer and Co., on terms so " " favourable for himself, or for the districts; nor do I think it possible that he

Mr. Russell's Letter, Sep. 21, 1824, page 9.

* Nobles. † Assignment. ‡ Estates. § Districts. ‖ Native Bankers.
¶ A sect of Hindoos combining the professions of soldiers and merchants.
** A Mahometan race, who are what the Jews are in Europe. †† Gold and silver brocade.
‡‡ Government. ‖‖ Manager of a District. ¶¶ Cultivators.

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" " could have obtained such extensive accommodation from any source what-
" " ever within the Nizam's dominions. I may add, that the regularity which
" " was introduced into the Minister's payments by means of these transac-
" " tions must have been very beneficial to the affairs of his Government, as
" " much larger charges would uniformly be made against it when payment
" " was looked for in the ordinary way of Tunkas, than when it was expected
" " to be obtained through an order on Messrs. Palmers' House. I am aware
" " that Soucars lent money to one another at one per cent. per month, when
" " there was no risk or expence of collection, but I never heard of their
" " lending to other persons at that rate."

" It appears, therefore, by Mr. Robison's statement: 1st, That the lowest
" rate of interest paid at Hyderabad by persons of unexceptionable credit,
" was two per cent. a month. 2ndly, That the credit of the Nizam's Go-
" vernment was so low, that the Minister could not raise money from the
" native Bankers on any terms. 3dly, That he was consequently obliged
" to borrow from Gosains or Patans. 4thly, That loans made from them,
" were made upon terms, of which the following may be taken as an exam-
" ple. If the Minister proposed to borrow a lac of rupees, one half probably
" was paid to him in money, and the other half in goods, which he could not
" sell for more than 20,000 rupees. He actually received, therefore, only
" 70,000 rupees, but he had to repay a lac, and also to pay interest on the
" whole lac at three per cent. a month; so that, on 70,000 rupees raised in
" this way, he paid a premium of 43 per cent. besides interest at upwards of
" 50 per cent. per annum. 5thly, That the method in which these loans
" were repaid was generally productive of violence and bloodshed, and often
" of extraordinary extortion on the inhabitants of the country. 6thly, That
" the establishment of the House of Messrs. W. Palmer and Co. entirely put
" a stop to these execrable transactions on the part of the Government, and
" confined the dealings of the Gosains and Patans to those persons only,
" whose characters and credit were so bad that nobody else would deal with
" them. 7thly, That the terms on which the Minister borrowed money from
" Messrs. William Palmer and Co. were more favourable than those on
" which he could have borrowed it from any body else; and, finally, that the
" Minister's orders on Messrs. William Palmer and Co., from the certainty
" and regularity of their payment, were of greater value than orders for the
" same amount of any other description."

Mr. Russell's letter, page 7.

2. The admission by Sir C. Metcalfe of the statements repeatedly made by the Firm to him, that they paid to the native Bankers, no less than 18 per cent. and as high as 24 per cent. for the money which they were obliged to borrow for the loan.

" It seems," he says, " that in raising money for this loan, they encoun-
" tered some difficulties, and were in some instances obliged to pay a higher
" interest than they received." Again, " Messrs. William Palmer and Co.
" are *entitled to my testimony* as to the difference between the money market
195. " of this place and that of the Honourable Company's territories, and as to
" the want of credit of this Government and the consequent difficulty of
" procuring money."

266. 3. An extract from a letter from Mr. John Palmer to me, dated July 20th, 1820, in reply to a letter of mine, requesting him to endeavour to borrow money for the house in Calcutta, to relieve the distress into which it was thrown, in consequence of its loan to the Nizam: he says, " I had given you
" credit for having secured all the funds you required on the spot, and really,
" there is a *want of circumspection* in the omission which is reprehensible. But
" had you secured the whole loan at 12 per cent., I submit whether 18 per
" cent, if you have no latent advantage, *can possibly compensate* your anxie-
" ties, trouble, and concomitant expences."

Mr. Palmer failed in procuring money; the members of the houses in Cal-

cutta, to whom he applied, having declared their distrust in the security of any transactions with the Nizam's Government,

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4. The testimony of Mr. Adam, in assigning the considerations, which weighed with him in giving his assent to the arrangement, between the Nizam's Government and the House at Aurungabad; he says: "The terms "offered by Messrs. William Palmer and Company were represented, and "I believe correctly, to be more favourable than any other that could be ob- "tained by the Nizam's Minister, on his own credit, or that of the State."— Again: "On the whole, it appeared to be *as favourable an arrangement* for "the Nizam, as circumstances would admit of, and as such, a *fit object for the* "*sanction of the British Government.*"

Mr. Adam's Minutes, pages 47 and 48.

The Minute from which these extracts are taken, is dated July 5th, 1820, and consequently long after the accounts of the House for those arrangements had been submitted to the Government; and these exhibited the charges of the House at 24 per cent. including interest, commission, &c.

5. The testimony of Lord Hastings, who says: "The references which I "am constantly receiving, respecting the debts of officers from the territories, "lately annexed to this Presidency, but in which our judicial regulations "are not yet introduced, do not afford one solitary instance in which the in- "terest is not charged at *two per cent. monthly, the regular rate in the Hyder-* "*abad State.*

Page 121.

6. "The fact that, shortly previous to the negociations for the loan of 1820, "all the attempts made by the Rajah of Nagpore, *under the sanction of the* "*British Resident*, and through *his immediate agency*, to raise, *on any terms*, a "loan of only *six and a half* lacs, had failed, as had likewise the applications "made to the native Bankers at Hyderabad, for the loan at 24 per cent. "upon what was deemed the guarantee of the *Resident* at Nagpore."

7. The statement of the Trustees of the House: "The timber of the House "having been mortgaged for 80,000 rupees, the Trustees have thought it "advisable to redeem this *mortgage* as early as practicable, on account of the "high rate of interest which it bears, and have accordingly paid 30,000 "rupees in part liquidation,"* The rate of interest is specified in the letter from Mr. Wm. Palmer to me, of the 12th of June, 1824, of which extracts are given in the Appendix; it appears that one of the Trustees of the House asserted, "that they gave 21 *per cent.* per annum on a *mortgage of jewels* "and timber."

8. The books of the House, which shew that all monies borrowed from the natives to provide for the loan of 1820, stood at an interest of from 18 to 24 per cent. upon current accounts. In the same letter from Mr. Wm. Palmer to me, it appears that he pointed out this fact to the Trustees, in the books of the House; and that he proposed to them that the Soucars should be called upon to make affidavits as to the rates of interest which prevailed at Hyderabad prior to the establishment of the House, and since its suppression.

9. The facts that, since the failure of the House, the Nizam's Government has borrowed at 24 per cent. from certain Soucars, and from one person at five and a half for two months, or 33 per cent. per annum; and that it has paid six per cent. per month discount upon a contract. These facts are more particularly detailed in the letter from Mr. Wm. Palmer to me, of July 13th, 1824, which is given in the Appendix.

Under this head I may add that I have seen many letters from English officers with the Nizam's troops at Aurungabad and Ellichpore, which state that since the cessation of the House of William Palmer and Co. at Aurunga-

* Resolutions of the Creditors of the House, on the 8th June, 1824.—Appendix.

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bad, they have been reduced to the greatest distress, and have been obliged to pay from twenty-four per cent. to thirty-six per cent. for advances of their pay from the native bankers. Messrs. William Palmer and Co. were solicited by officers holding responsible situations there, to make some arrangements upon the responsibility of those officers, for relieving the distresses of themselves and the troops; but they declined doing so, fearing that such an act on their part might be considered an infringement of the Orders of your Honourable Court, regarding the cessation of their payments.

The anarchy which, before the House was established, had prevailed among the troops, from the irregularity of pay, seems to have in part returned since its failure; a body of the Nizam's troops, under Captain Clarke, a Company's officer, lately refused, on account of arrears, to march against a Zemindar, who was pillaging the country; and officers of the Berar army, which had been paid by the House, and could not otherwise have been kept up during the Mahratta war, were borrowing money in the bazaars at thirty-six, and even forty-eight per cent. Messrs. Wm. Palmer and Co. never charged more than twelve per cent. upon their advances to British officers.

I must now be allowed to call the attention of your Honourable Court to the important fact that the charges made by Messrs. William Palmer and Co. were all consolidated under the head of interest; and a stronger proof can scarcely be adduced of their bonâ fide conviction of the moderation and propriety of their conduct.

Their charges in no one instance exceeded twenty-four per cent.; and in the case of the loan, of 1820, the whole charges, including the increase of interest, from the alteration of the terms, amounted to twenty and ½ per cent. I shall hereafter explain distinctly what the value of the bonus was. Under the charge of interest are to be included commission and contingent expenses of all descriptions.

When your Honourable Court shall have examined what the risks attending those transactions were, I confidently hope to obtain from you a decision that the conduct of the Firm was not only justifiable, but that their charges were conspicuous for moderation.

Their security depended upon the life of the Minister, upon his continuance in office, and upon the life of the reigning Prince.

To these is to be added, the further risk attendant upon the stability of the Government itself. During the period of the transactions of Messrs. William Palmer and Co. almost every Native Government in India underwent a revolution. What security had the House against a similar fate befalling the Government of the Nizam? By such an event the whole debt of the House would have been irretrievably lost. These circumstances were equally appreciated by the Firm, and by their creditors, and equally influenced the rates at which they could borrow or could lend. If two of these risks could have been obviated by an insurance upon the lives of the Minister (who is upwards of sixty,) and the Prince, who is fifty-three, the expence of those policies alone in India, added to the Calcutta interest of twelve per cent., would have swelled the amount of charges which are there authorised by law, to much more than the amount of interest charged by the House; and if the Minister's life alone had been insured, the charges would not have fallen short of those actually made. But, in fact, no insurance could have been effected upon the lives of their debtors, as the life of a native cannot be insured in any office in India. The reasons assigned I believe to be, that in cases of sickness the natives do not adopt the same precautions that Europeans do; and from this and other circumstances, connected with the habits of the country, their lives are supposed to be more precarious. Hence the interest upon all loans to natives are *nominally* higher, because the parties

lending become themselves the insurers, and the charge is made under the head of interest. RATES OF INTEREST.

Again, what would have been the charges authorised by law and custom in Bengal upon payments similar to those made by Messrs. William Palmer and Co. at Aurungabad? It is the custom in all agency houses in Calcutta, and I believe all over India, to charge one per cent. for commission upon the amount, at their option, of either the debtor or creditor side of an account current. I shall begin with the account balanced on the 25th February, 1819, page 505.

The following is a comparative statement of the charges which were made by the House at Aurungabad, and those which custom would have authorised on the same account by any English house of business in India. The calculations upon which it is founded are at No. 6 of the Appendix.

	Charges which might have been made by any house of business in Calcutta.	Charges made by Messrs. W. Palmer and Co.
From the 3d Sept. 1818 to Feb. 25th, 1819	82,895	99,901
Do. Feb. 1819 to Aug. 1819	1,10,015	1,14,388
Do. Aug. 1819 to Feb. 1820	1,40,825	1,75,151
Do. Feb. 1820 to Aug. 1820	1,28,370	1,08,513
Do. Aug. 1820 to Feb. 1821*	11,690	
Do. Feb. 1821 to July 1821*	5,840	
Do. July 1821 to Jan. 1822	22,035	54,282
Do. Jan. 1822 to July 1822	63,415	107,559
	5,65,085	6,59,794

Deduct the credit allowed by the House.

From Aug. 1820 to Feb. 1821	5,660
Do. Feb. to July 1821	10,802
	16,462
	5,65,085	6,43,332

It appears, therefore, that the total difference between the charges made by the House and those which might have been made by an English house of business, at any one of the Presidencies, did not, in the above four years, exceed 78,000 rupees. During these four years the payments made by the House amounted to 111 lacs of rupees. The charges, it appears, amounted to six lacs and 43,000; so that the total expense of this contract, to the Nizam's Government, was less than a single charge of six per cent. on the actual payments, for which the heavy responsibility for the amount of the advances, and all the expences, were borne by the House.

The body of evidence contained in the preceding pages must, I feel assured, convince your Honourable Court that the rates of interest charged by Messrs. William Palmer and Co. at Hyderabad, if even they be held, by the recent interpretation of the statutes, to be illegal, were not at variance with the interpretation given to those statutes by your own Governments, and your own law officers; and universally received throughout India. That they were consonant with your own regulations for the guidance of your own Courts of Justice; that they were moderate as compared with the rates of interest charged under Native Governments, and did not even exceed those charged in your own dominions; that the benefits derived by Messrs. W.

* The balance being in favour of the Nizam, the House had to pay instead of to receive.

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Palmer and Co., so far from being exorbitant, were hardly sufficient to cover their expences and trouble, much less than adequately and fairly to cover their risks; and that the Nizam's Government derived not only immediate and incalculable advantages of a paramount nature, at a juncture most critical, both to its own interests and to those of the British Government, but secured to itself the prospect of lasting benefits, in the gradual reduction of the rate of interest, and in the security and facility of its financial arrangements.

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II.—The most important charge by far of Sir C. Metcalfe, the one which forms the basis of his whole operations against the House, and on which alone the Council decided against it, is the nature of the loan. The gross misrepresentation of this transaction, requires that I should begin by distinctly stating its origin and progress.

Mr. Russell's Letter of Sept. 21st, p. 20.

Mr. Russell, the late Resident at the Nizam's capital, in his Letter to the Court of Directors, says, that towards the end of 1819, he was requested to peruse some papers of Mr. Palmer's relative to a project of a loan to his Highness's Government, for the purpose of assisting the Minister, in the measures of reform which he was then concerting with the British Government; but that he would not entertain the project, because he conceived that it involved a responsibility on the part of the Company's Government.

"In the beginning of 1820 (he says,) the project was revived, the Minister "alleging that he could not pay off the arrears of the establishments which "he intended to reduce, or relieve himself from a number of incumbrances "by which he was embarrassed, without a command of money." Mr. Russell might have added to this, what he must have known was the fact, that the measures he was then pursuing under the orders of the British Government, mainly induced Messrs. W. Palmer and Co. to revive the project. He was pressing upon the Minister certain arrangements of retrenchment and reform, which interfered with pledges, and promises, made to them by the Minister.

The house had made great advances to him during the years 1816, 1817, and 1818 for the payment of the Aurungabad troops and the Berar horse. He had made engagements to repay these advances, or to give Assignments for their liquidation as soon as the campaigns were over. In the latter end of 1819, and beginning of 1820, the Firm pressed for these Assignments, and had made engagements with their native creditors, upon the faith of the Minister's promises; and those engagements they were called upon to fulfil. The Minister in the beginning of 1820 did enter into an arrangement for the delivery of the Assignments, and the schedule for the whole arrangement, containing a list of the Tunkas, was agreed upon between the parties; but, he urged at the same time, that his compliance with the Resident's demands of reform would be materially impeded by this; and the House was well aware, that the Resident's public objects were likely to supersede the inducements, which, they felt satisfied, ought otherwise to have led him to support their claims. An assignment is but bad security; it is resumeable at pleasure, and the House could place little confidence in those which it held, or was to hold, when the influence of the British Resident was employed to force measures upon the Minister, incompatible with the regular payment of his orders on the collectors. The Minister's proposal, that the House should relinquish its claims to these Assignments, and thus leave the proceeds of them available to the purposes of reform; and that it should procure him a further sum of money for the same purpose, was, therefore, one well worthy of consideration. The adoption of it would facilitate the completion of the Resident's objects, instead of thwarting them, and might be expected to receive his cordial support instead of his opposition.

Mr. Russell says, that there had been many communications, and much in-

tercourse between the parties in the early part of the year 1820; and in the course of that period it had been determined that the House should negociate a loan. Mr. Russell had approved of the principle, and the House not only relinquished its claim to the Assignments, which it was to have held by the Minister's Agreement, but began to make payments. Messrs. W. Palmer and Co., however, did not profess to give up those Assignments, which were already in their possession---which were nearly due, and which had been granted to them before the beginning of the year 1820. LOAN.

When the loan project was first entertained, Messrs. W. Palmer and Co. expected to obtain such a direct sanction, from the Governor-General in Council, to a loan for the Nizam's Government, as would enable them to raise money at twelve per cent., either from the native bankers, or from the monied men at the British Presidencies; and they proposed to lend it to the Minister at eighteen per cent. Of this sum they estimated their actual expences at two per cent., and four per cent they allowed to cover profit, risk, and responsibility. But the expectation of such a sanction was abandoned early in the negociation, and Mr. Russell required an acknowledgement in writing, by which the firm gave up all claim to any security, but the good faith of the Nizam's Government. 42.

Mr. John Palmer, of Calcutta, had been consulted as to the expediency of making a direct communication to the British Government, with a view to obtaining such a sanction as had at first been contemplated; and his reply to the letter led to the papers being forwarded by Mr. Russell. It appears that 38. they were transmitted by him on the 19th of May. The reply of the Secretary to the Government is dated the 15th of July, and must, therefore, have 55. reached Hyderabad early in August.

Immediately after the agreement with the Minister was concluded, he urged Messrs. W. Palmer and Co. to complete the payments to sixty lacs; but they had to procure the funds for this purpose. The correspondence and communications with the Minister had been carried on upon the principle, that the loan was to be at eighteen per cent. including interest and commission; though the payments which had already been made on account, were obtained from the native bankers at considerable expence for the Minister's convenience. The relinquishment of the Assignments, which the Firm was to have received, and which they could have discounted upon their security, deprived them of those means of raising money, and exposed them to great inconvenience. They proposed to the native bankers to take half of the amount of the loan upon themselves, according to the terms of the Agreement with the Minister. This the natives declined, and only consented to lend their funds, upon condition of Messrs. W. Palmer and Co. taking the whole risk and responsibility, paying a heavier rate of interest than the Minister was to give; and holding the money, so lent, in an account current, reclaimable at pleasure. The Minister urged the House to borrow the money for him upon these terms: about one-half was so borrowed; the rate of interest paid for it being eighteen, twenty-one and twenty-four per cent.; and to cover this loss which Messrs. W. Palmer and Co. had not contemplated, when they undertook the negociation, and which they might possibly have avoided, if the Minister had not pressed them to make their advances earlier than had been agreed upon, he proposed to make them the compensation, which they accepted, and of which I shall presently explain the particulars. Messrs. W. Palmer and Co. had to choose between these alternatives---to abandon the project of the loan altogether---to give up the intention of reducing the rate of interest from twenty-four to eighteen per cent. or to accept the proposition of the Minister.

The communication of the correspondences by the Resident to the Supreme Government, on the 19th of May, did not alter the position of the Firm. The written acknowledgment, which Mr. Russell had required, was forwarded at the same time, and by force of it, Messrs. W. Palmer and Co. were deprived of 42.

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any security but the faith of the Nizam's Government, and were not entitled to the authoritative interference of the Resident in their behalf.

Lord Hastings has shewn how precarious the debts of a Native Government are: "What trust can a Shroff place in an Assignment, when the Native "Government, after having received the loan, can at pleasure annul the se-
33. "curity? It is what has repeatedly happened. Asophoo Dowlah's extinc-"tion of Assignments to vast amount is in the memory of every one."

The Hyderabad Papers prove, that none of the Assignments given to the House were regularly paid; and that even those given under the sanction of the British Government, for the payment of the troops at Aurungabad, were resumed, when that arrangement was annulled by order of the Governor-General in Council.

The Minister's retirement from office, or his death, or that of the Nizam, might have endangered the whole claim; and had any such event happened, and the New Government refused to recognize the debt, to whom was the House to look for payment?

There are no means of enforcing payment against an individual, still less against the Government, by any legal process in the Nizam's country. The Firm had shut itself out from the right of requiring assistance from the British Government, and whether that Government should, or should not, afford assistance spontaneously, would depend entirely upon considerations connected with its own interest, and with the views and disposition of its local officers at the time.

If, when the Governor-General in Council authorized the Resident to sanction the loan, Messrs. W. Palmer and Co. had been required to state the terms of it, they would willingly have done so, but no such requisition was made; and the Secretary's despatch to the Resident (page 55) expressly states, that the terms of the loan had not been mentioned. It appears by the Minutes in Council, from page 43 to 45, that some calculations were made by the Members of Government, upon the probable rate of interest to be charged, according to the Minister's general statement, in his Letters to the Resident, and to the House; but all the Minutes prove, that no statement of the terms had been given by the Firm; and the point to which the attention of Government was mainly directed, was whether a better way of enabling the Minister to get the funds he required, could be suggested. The only objections to the one proposed, appear to have related to the influence which it was supposed the House would acquire, by becoming creditors to a Native Government to so large an extent. But no other admissible way of assisting the Minister having been suggested, it was determined that that consideration was not a sufficient reason for refusing to allow the Minister to adopt his own plan.

In Mr. Stuart's Minute, he says: "The papers submitted by the Resi-"dent afford no information with respect to the rate of interest, or the ad-"vantages stipulated by the House, so as to enable this Government to "judge how far the arrangement may be an economical and beneficial one
43. "for the Nizam's Government." Again Mr. Fendall, in his Minute, says: "The Minister has represented the impossibility of any attempt towards an "effectual reform, unless he can immediately procure a loan to the amount of "sixty lacs of rupees; and placing full confidence in the ability of the House "of Messrs. William Palmer and Co. to raise this sum, as well as in "the liberality of their terms, he has been negotiating a loan with them "to the extent of the above-mentioned sum. Messrs. William Palmer "and Co. have agreed to come forward to the assistance of the Minis-"ter upon certain conditions, to which the Minister has agreed. One of "these is the previous sanction of the Resident: and in explanation of

" the nature and extent of this sanction, they do not require the guarantee " of this Government for the payment of the loan, but merely such local " influence to be afforded them by the Resident, as will protect them from " being defrauded. Although no specific mention is made of the rate of " interest which is to be paid, yet, from that part of the Minister's proposi- " tion which refers to the payment of debts standing at a high rate of inte- " rest, it is fairly to be inferred, that the loan in contemplation is to be made " at a lower rate than what the old loans bear, and is, therefore, advantageous " to the Nizam's Government. It is evident, that unless an immediate loan " can be raised, the Minister's plan cannot be carried into execution. The " stipulations required by Messrs. William Palmer and Co. appear calcu- " lated only to secure the due and regular payment of the loan: and as the " Resident takes no notice of any other tenders more favourable to the " Nizam's Government having been made, but, on the contrary, represents " the impossibility of the Minister's obtaining it by any other means than " through the House of Messrs. William Palmer and Co., I am of opinion " that every facility, short of guarantee for the repayment, should be afforded 43. " towards the completion of the proposed loan."

Lord Hastings, after stating that Mr. Stuart refuses his assent to the Minister's proposition, because the rate of interest is not specified, continues: " This, however, is not the only objection: in a looser way, two others have " been hinted. It is said to be undesirable that a British house of agency " should have any concerns with the Nizam's Government: secondly, it is " argued, that the furnishing a loan of such extent would give to the House " of Palmer and Co. an influence over the Minister, which no British subject " ought to possess. As to the first, the original permission to the House of " William Palmer and Co. to deal with the Nizam's Government was " granted, as I have understood, from the notoriety, that the Nizam could " not, at the time, be kept afloat, but by such efficacious aid; and I have " always heard that the benefits arising from the intervention of that House, " were as distinctly acknowledged by this Government as by the Court of " Hyderabad. As to the second objection, a creditor on so great a scale " will, in ordinary instances, have powerful weight over the administration to " which he has furnished the supply; but, did this stand good on the present " occasion, there would only be to estimate that disadvantage against the " hazarding such embarrassment and injury to the Honourable Company's " concerns, as must be anticipated from wide convulsion in the Nizam's domi- " nions. It is not, however, easily comprehensible, that such an influence could " operate inconveniently, or, indeed, could ever be employed at all, when " the real security to the lenders exists solely in the countenance and sup- " port to be given to them by the Representative of this Government. I " therefore hold those arguments to be wholly inapplicable; and I repeat, " that if this provision for the exigency of the Nizam's affairs be condemned, " an available substitute should be offered by those who counsel the rejec- " tion. It will not do to say, 'were the House of Palmer and Co. put aside, " I have no doubt but that the Shroffs would produce the money.' Some " reasonable ground for trusting to such a persuasion ought to be shewn, " where the consequence of a fallacious reliance may be so distressing. " Against such a loose presumption, we have the positive declaration of the " Resident, that the loan cannot be procured from Native Bankers alone. " Clearly, they fear to advance their money but through a British house, the " interest naturally taken in which, by this Government, gives them a con- " fidence, such as they could never feel in a direct negociation with a Native " Court." Again, he says: " I recur then to my position, that they who " impugn the plan are under the obligation of this alternative:—They must " record that they think the existing distresses, and apprehended subversion " of the Nizam's Government, a less evil than the possible consequences of " the projected remedy; or, they should shew some other practicable course 45. " through which the Minister can effect what we have enjoined."

Mr. Adam says: " Having assented to the arrangement made with the " House of W. Palmer and Co. of Hyderabad, under the sanction of the British

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" Government, for providing funds for the payment of the regular forces of " his Highness the Nizam in Berar, it is necessary that I should state dis- " tinctly my sentiments on the measure now proposed by the Resident, " which may seem to rest on a similar footing of expediency. The con- " siderations which weighed with me, in acceding to the former plan, were " shortly these. There seemed, at the moment; no other equally convenient " and economical mode of securing the supply of the required funds, at a " specified time and place, for the regular payment of the troops, on the " punctuality of which their efficiency was understood to depend. The " ordinary resources had failed, or at least were in such danger of failure, as " to make any reliance on them wholly insecure. The terms offered by " Messrs. W. Palmer and Co. were represented, and, I believe, correctly, to " be more favourable than any other that could be obtained by the Nizam's " Minister, on his own credit, or that of the State, while the condition of " the money market, and of our own Treasury, did not enable us to assist " him in procuring funds elsewhere, or by direct pecuniary advances. On " the whole, it appeared to be as favourable an arrangement for the Nizam as " circumstances would admit of; and, as such, a fit object for the sanction of " the British Government, so deeply interested in the welfare of its ally, and " in the permanence of an establishment so conducive to the preservation of " our ascendancy, and of the general tranquillity, as the Nizam's regular " forces. But while the force of these considerations led me to accede to " the former plan, I was never insensible of the objection to encouraging, or " even permitting, extensive pecuniary dealings between a Native Govern- " ment and an opulent British House of Agency; and if any other available " resource had presented itself, I would willingly have resorted to it, in " preference to a measure, which, whatever was its convenience in other
7. " respects, had that objectionable feature."

Your Honourable Court is aware, that, at the time Mr. Adam wrote this Minute, the accounts of the Aurungabad House, shewing the precise terms of the arrangement to which he alludes, had been in circulation among the Members of Government; and that the interest and commission charged upon the advances in those accounts, was twenty-four per cent. The House is, therefore, entitled to the benefit of Mr. Adam's testimony, that a charge of interest and commission of twenty-four per cent. or two per cent monthly, was more favourable than any other terms that could be obtained by the Nizam's Minister, and that he considered these terms advantageous in the Nizam's circumstances, unless the Company's Governnment would lend him money or pledge its security for him, both of which measures were deemed inadmissible.

Mr. Fendall says, that the terms of the projected loan had not been communicated, but expressly states that the terms of the formerar rangement (the one Mr. Adam had thought favourable to the Nizam,) were twenty-four per cent interest. He says:—" During the discussions which have taken place " at Hyderabad, no mention is made as to what rate of interest the loan is to " bear." " With respect to this Government advancing the loan, I have very " great doubts as to the policy and expediency of the measure. I " submit, with great deference, whether it might not instil into the mind of " his Highness the Nizam, suspicions unfavourable to the good faith of " the Government: whether it might not be suspected to be a preli- " minary step towards encroachment of this Government, prejudicial to the " interests of his Highness; and should suspicions arise, however un-
49. " founded they are, whether obstacles would not be thrown in the Minister's " way which would render all his attempts at reform nugatory." "If the " assignments are not regularly paid, unpleasant discussions must take place " between the Minister and the Resident, and a heavy responsibility will rest " on this Government; all which will, in my opinion, be avoided if the loan " be negociated by Messrs. W. Palmer and Co., and our interference limited " to its proper boundary." Of the Native Bankers at Hyderabad he says:— " they will not, I think it is evident, come forward, unless they have the in- " termediate security of some respectable House of Agency, in which they

" can place confidence, and this confidence they appear to have in the Firm " of Messrs. W. Palmer and Co. What interest they will demand, it is not " easy to say; but, from the former loan having been negociated at twenty-four " per cent., I do not imagine they will advance their money at less than twelve " per cent. In addition to the interest which Messrs. W. Palmer and Co. must " pay to the Native Bankers, they must be at some expence in realizing the " annual assignments." "I confess I do not perceive that any house of agency " can obtain an undue influence over the measures of the Minister, by its " having the negociation of this loan. Admitting even any attempt at " such interference being tried, the Resident, I should think, has it in his " power to prevent its taking effect. The credit of any house of agency " at Hyderabad, must, I should conceive, depend, in some measure, upon " the countenance and support shewn it by the Resident; and the appre- " hension of doing any thing which might compel the Resident to with- " draw his countenance and support, must, I think, prevent it from at- " tempting any interference, further than in effecting the completion of " agreements entered into by the Minister. I submit the foregoing re- " marks with great diffidence; but I am compelled to do so, from a con- " viction that the safest and best mode of effectually supporting the Minister, " in the completion of the plans which he has so zealously undertaken, " will be by allowing the negociation with Messrs. Wm. Palmer and Co., as " recommended by the Resident, to proceed, and confining the interference " of the Government to the terms stipulated by the House, and agreed to by " the Minister." 50.

In all these Minutes the terms of the loan are expressly said not to have been communicated; and the principal object, to which the attention of Government seems to have been directed, was the policy of allowing Messrs. William Palmer and Co. to possess so much influence at Hyderabad, as it was presumed the negociation of the loan would give them.

No allusion is made to any supposed wish of the Nizam, to obtain the loan from the Bengal Government, but on the contrary, Mr. Fendall observes that he would view such a proposition, not as an accommodation, but with distrust and alarm. Any person conversant with Eastern politics, must be aware that the Nizam would rather have incurred any expence, in borrowing money from persons residing under his own authority, than, by taking a loan on very moderate terms from his powerful ally, have afforded it an obvious pretext for superintending his expenditure, and interfering in the management of his districts; and that the only way in which the British Government could, in his estimation, confer an obligation on him, was to enable his Minister to pursue his own plan. These objections to a direct loan to the Nizam seem to have weighed with the Governor-General; as appears by his Minute of the 9th July, 1820. 51.

It will be seen that not a word is said in any of the Minutes of the danger of their exercising authority in the districts; this, to prevent which, must have been the great object of the Legislature, in prohibiting the dealings of British subjects with Native Princes, would naturally have been the chief ground of objection to the loan had any suspicion existed that it was to give such a power. But it was well known to the Government that Messrs. W. Palmer and Co. neither had, nor could have any objectionable authority. In the despatch from the Secretary to the Resident, sanctioning the Aurungabad arrangement in October, 1819, he is directed " to prevent any interference on the part of that House, or of " any native agents belonging to that establishment, in the collection of the " revenues, or in any other branch of the management of the districts " assigned, under the agreement of the parties." And, on the 6th of November, 1819, the Resident replied in the following terms:—" No agents have " ever been employed on the part of that establishment, either in the col- " lection of the revenues, or in the discharge of any other duties connected " with the management of the districts on which Tunkas have been granted " by the Minister; nor, should I, under any circumstances, have admitted 21. 34.

LOAN. " of the exercise of any such interference, without the express authority of " the Government."

Of the various charges that have been advanced against the transactions of Messrs. William Palmer and Co., by far the most serious is, that this loan was fraudulent and fictitious, made up of a transfer of old balances and not of money actually advanced at the time, the object of the Firm being, it is alleged, to secure the sanction of the British Government to the unsanctioned balances of their former accounts with the Nizam. I am most anxious to meet this charge in the first instance, and in the fullest manner; I, therefore, thus early, apply myself to it; and I undertake to demonstrate its utter falsehood from documents, not to be disputed by our accusers. I am to prove by the evidence of the accounts themselves, which are among the printed papers, first, that Messrs. William Palmer and Co. had no unsanctioned balances to transfer: And secondly, That the loan was mainly composed of actual cash payment to the Nizam's Government, made at the time of the bargain, subsequent to the negociation, and when the agreement was concluded.

The proposition for the loan, it has been already stated, was originally made in the end of 1819. Messrs. William Palmer and Co. contracted to make it in the beginning of 1820, and their payments to the Minister on account of it, began in the early part of that year, when his pressing exigencies required them most. At that time Messrs. William Palmer and Co. had three separate accounts with the Nizam's Government: 1st. The Aurungabad account; 2d, The Berar Suwar account. 3d, The Hyderabad account.

502. 8. 1st. The Aurungabad account comprised the advances made for the payment of the Nizam's regular and reformed troops at Aurungabad under the contract entered into in April, 1818. This account was sanctioned by the British Government.

675. 102. Mr. Russell's Letter, page 5. 590. 2d. The Berar Suwar account comprised the advances made for the payment of 1000 out of the 4000 horse, constituting the reformed horse in Berar, under an agreement which began to have effect in November, 1816. This account is in reality a branch of the Aurungabad account, as the whole of the 4000 horse belonged to the Aurungabad division. They were the reformed, as the infantry were the regular troops; and they composed together, " the regular and reformed troops at Aurungabad," so called, from that being the head quarters of the division. The payments to the Berar Suwar's began near two years before those to the rest of the division; and having been originally entered in a separate account, that arrangement was continued for the Minister's convenience. This account also was sanctioned by the British Government.

5. 3d. In the Hyderabad account were entered all advances and payments, of every description, made by Messrs. William Palmer and Co. on account of the Minister at Hyderabad. This account was no further sanctioned by the British Government, than that the payments in it were made under the general licence granted to the House by the Governor-General in Council.

The balances of these three accounts on the 16th of February, 1820, when the half-yearly settlement, immediately preceding the loan payments, took place, were as follow:—

511.	Aurungabad balance		Rupees	13,50,826	6	6
643.	Berar Suwar, do.	....		18,36,825	12	3
620.	Hyderabad, do.	....		4,63,979	2	3
			Rupees	36,51,631	5	0

619. But on the 11th of January, 1820, after the negociation of the loan began, and only a month before these balances were struck, an advance of six lacs of rupees had been made by the Hyderabad to the Aurungabad account. That sum, therefore, belongs to the Aurungabad account, and must be de-

ducted from the Hyderabad, and added to the Aurungabad balance. The real state of the balances, therefore, on the 16th February, 1820, was this.

Aurungabad balance		Rupees	19,50,826	6	6
Berar Suwar	....		18,36,825	12	3

And, if the six lâcs so advanced had been charged in the Aurungabad account in place of the Hyderabad account, the Hyderabad account instead of shewing any balance due by the Minister to the House, would have shewn a balance due by the House to him of rupees 1,36,020 31,9. Tunkas also had been granted to the House by the Minister at the close of the previous Indian revenue year; on account of which, rupees 10,56,711,6 were realized between the 17th of March and 12th of July, 1820. These 629. Tunkas had reference, necessarily, to the sums which were actually due to the House at the time they were granted, and not to any debt which might be incurred prospectively. The Tunkas, in liquidation of the loan, were subsequently granted under a separate and specific engagement, they 41. are entered in the loan account, and the first instalment on them was not 661. received until the 7th of December, 1820. The actual state of the Minister's account with the House on the 16th of February, 1820, was therefore as follows:—

Balance due to the House at Arungabad			Rupees		19,50,826	6	6
Do. for Berar Suwars		....			18,36,825	12	3
					37,87,652	2	9
Deduct balance due to the Minister at Hyderabad		1,36,020	12	9			
Tunkas in hand and subsequently realized		10,56,711	6	0			
					11,92,742	2	9
				Rupees	25,94,910	0	0

This, therefore, was the sum due by the Minister to the House when the operation of the loan began, and not one single rupee of it was an unsanctioned balance. The two accounts on which it was due were the Aurungabad and the Berar Suwar accounts, both of which had not only been sanctioned by the Government, but sanctioned at the interest of twenty-four per cent. The security which the House had for the repayment of those balances was as good as the security which it had for the repayment of the loan itself; and, therefore, as far as those balances were affected, the only operation that the transfer of them to the loan account could have produced, would have been to reduce the interest charged on them from twenty-four to eighteen per cent. It was manifestly for the advantage of the Nizam's Government, that those balances should be transferred to the loan, and the House would best have consulted its own advantage, by leaving them to run on, each in its own separate account; and completing the loan, if it could have commanded adequate funds, on the terms at first contemplated, by distinct and independent payments. It is absurd, therefore, to suppose that the transfer of those balances can have been one of the inducements of the House to make the loan. The transfer, if it had been made, would have been a transfer from a sanctioned account at twenty-four, to a sanctioned account at only eighteen per cent. interest; and if this were a fraud, and a fraud committed by the House, it would have been a fraud of a somewhat novel description; for it would have been committed with the intent to injure the House itself.

Having shewn that not half of the loan could have been composed of any kind of balances, and that no part at all could have consisted of unsanctioned balances, I shall now proceed to shew what the loan actually was composed of.

LOAN.

When Messrs. W. Palmer and Co. began to make payments towards the loan, they considered them as payments on account. Those payments were entered as they were made in the general Hyderabad account; and when the total sum was completed, it was transferred in a single item to a
661. new account called " the Loan Account."

The loan payments began in February, 1820. The sanction of the British
38. Government was applied for on the 19th of May, and it was granted in Cal-
55. cutta on the 15th July, and must have reached Hyderabad early in August. The close of the Indian revenue year, when it is usual to make up accounts,
661. fell a few days afterwards, and the total amount of the loan was transferred to the Minister's new account in the same month. The loan, therefore, was paid in the interval of six months, from February to August, 1820, and the particulars of the payments, as exhibited in the printed accounts, beginning with the entry of rupees 1582 A. 13 P. 0 at the top of page 620, and ending with that of rupees 394, A. 12, in the middle of page 624, were as follow :—

Cash payments,				A.	P.			
Page 620	Rupees	2,72,201	13	0				
621	—	5,76,306	12	0				
622	—	11,65,489	5	6				
623	—	9,91,378	10	6				
624	—	7,97,002	10	3				
					38,02,379	3	3	
Jewellery.								
Page 620	Rupees	21,233	0	0				
621	—	8,034	0	0				
622	—	2,950	0	0				
623	—	6,176	0	0				
624	—	10,882	0	0				
					49,275	5	0	
Miscellaneous Purchases.								
Page 620	Rupees	13,893	0	0				
621	—	14,954	0	0				
623	—	68,666	0	0				
					97,513	0	0	
Total without interest				Rupees	39,49,167	8	3	
Interest.								
Page 622	Rupees	87,867	14	6				
623	—	5,940	1	0				
624	—	260	0	0				
					94,067	15	6	
Total with interest				Rupees	40,43,235	7	9	

Or, arranging the same payments in order of time, they are as follow :—

Payments in February, 1820	Rupees	29,162	13	0
March		2,62,129	8	0
April		2,32,388	12	0
May		9,41,531	12	6
June		14,95,658	14	6
July		2,86,818	8	0
August		7,01,477	4	3
Total without interest		39,49,167	8	3
Interest charged in June, 1820	Rupees 93,807	15	6	
Do. August	260	0	0	
		94,067	15	6
Total with interest	Rupees	40,43,235	7	9

The cash payments exhibited in this statement, amount to rupees 38,02,379 3 3, and it appears that long before the inquisition into the accounts of the House took place, the Minister assigned 38 lacks and odd thousand rupees, as the amount received by him in cash, and that the same statement was repeated by him on two several subsequent occasions. Variations of a few thousand rupees will arise, from the various modes, in which different persons, make up large and complicated accounts, and such inconsiderable discrepancies, rather confirm than impeach the general accuracy of the statement.

191.

182, 271.

In the foregoing statement, which comprehends only the payments made at Hyderabad, between February and August 1820, no balance of any kind whatever is included, sanctioned or unsanctioned. The balances of the Aurungabad and Berar Suwar accounts, though struck at the end of the revenue year in August, were not entered in the Hyderabad account until the 21st of November, 1820. The loan, therefore, taking August, 1820, as the period of its completion, must have been composed of

511.
683.
625.

			A.	P.
1. The amount of the foregoing statement	Rupees	40,43,235	7	9
2. A sum transferred from the sanctioned balance of		11,56,764	8	3
3. The bonus		8,00,000	0	0
	Rupees	60,00,000	0	0

Of the sum of 52 lacs, therefore, professed to be lent, only 11 lacs and a half was balance, and that sanctioned balance; the residue of about 40 lacs and a half, was composed of money actually advanced. In the five years preceding the negociation of the loan, the advances made by Messrs. W. Palmer and Co. to the Nizam's Government, exclusive of interest, were as follow:—

In 1815	Rupees	10,25,714
In 1816		3,73,527
In 1817		7,85,000
In 1818		11,34,198
In 1819		9,23,103
		42,41,542

The average amount of advances, therefore, in each year was 8,48,308 rupees: the amount advanced in the half year of the loan, from February to August 1820, was 40,43,235 rupees; being a yearly rate of 80,86,470, near ten times the rate of any previous year. Upon what possible supposition, other than the reality of the loan, can this fact be accounted for?

I shall now proceed to offer such explanations, as are necessary, on each of the three items, composing the loan, in the foregoing statement.

The first item, which consists entirely of advances to the Nizam's Government, contains a charge of only 49,275 rupees, for purchases of jewellery, and of only 97,513 rupees for miscellaneous purchases. But, as the charges of the House for sales of this description, to the Nizam's Minister, have been alluded to as suspicious in different parts of the printed papers, I am desirous of affording a particular explanation on that subject.

The eastern practice of giving and receiving presents has nothing analogous in Europe, with which it can be compared. Under the Native Governments in India, no intercourse either of courtesy or business takes place without the interchange of presents: these consist of jewels, shawls, dresses, &c. They are always given by the superior to the inferior. Every person newly introduced to him, or nominated to an appointment, or receiving an honour; every public officer going to his station, or returning from it; every individual of any consideration visiting the Prince or the

LOAN. Minister, either from courtesy, or on business, is entitled to a present according to his rank. On every great festival, on the occasion of weddings, births, or birth-days, and on the various ceremonials connected with the religions of the country, presents are distributed. Persons announcing any good news, even servants bringing messages of mere compliment from individuals of rank, expect a present, and the very lowest of these receives a shawl. There is hardly an occasion on which the Prince and Minister are not called upon to make presents; each person's rank and favour being measured by the number of presents he receives. They are paid for by the public, and form a considerable item of expenditure. Chundoo Loll's own habits of dress, &c. being extremely simple, all that appears to have been furnished to him was for this branch of the public service.

The House of W. Palmer and Co. carried on the business of sales on commission to a great extent, and was in the habit of supplying the Government with the articles used upon such occasions. If the Government had not purchased them from the House, it must have got them elsewhere; and it will appear by the prices in the reference sheets containing the details of purchases, that the House could have no benefit but its brokerage upon them; and, as far as the disbursements of the House were concerned, they were equivalent to cash payments. It is remarkable, that amidst all the virulent charges which have been conjured up against the House, no attempt has ever been made to shew that the charges for sales were unreasonable, or that they were a pretext for increased interest upon loans. Mr. Russell has proved, at page 8, of his Letter, that before the establishment of the House, the natives used to make hard bargains in that way, and it is obvious that such a charge would have been advanced against the House, had there been any pretence for it.

With respect to the *second* item, it is manifest, that the precise amount of previous balance in the loan, will depend upon the period, which may be assumed, for the close of that transaction. In the foregoing statement, it is closed on the 31st of August, 1820, and the balance included is eleven lacs and a half. If an earlier period be assumed, fewer payments will have been made, and more balance will be included; if a later, more payments will have been made, and less balance will be included. The balances are those of the Aurungabad and Berar Suwar accounts, and it is quite immaterial, whether the sum required, be taken from either, or from
276, 744. both. The interest was the same on both, and both had the sanction of the British Government. Messrs. W. Palmer and Co. state that it was taken from the Berar Suwar balance.

The *third* item is the bonus, on which infinite misconception has prevailed, and into the particulars of which I must therefore enter.

When the Firm first entertained the Minister's proposal for the loan, they expected, as I have already stated, to obtain such a sanction as would induce the houses of agency, and monied Europeans at the British Presidencies, to lend money, upon that security, at twelve per cent. Had they obtained such a security, they also expected, that the native Bankers would take a share of the transaction upon themselves, or at least, that they would lend the House their funds, at twelve per cent. That expectation was disappointed. No guarantee was obtained from the Resident. Had the Firm, however, been allowed sufficient time to make their arrangements, there is no doubt they could have made better terms than they did; but the Minister was importunate for immediate advances, and thus forced them upon the Hyderabad market. In these circumstances, I have no doubt of being able to shew, that eight lacs was not an unreasonable calculation, for the expence to be entailed upon a House, holding near a million and a half of capital upon open accounts, a large portion of it in the hands of an arbitrary prince, when it was called upon, to strain its credit, and to subject itself to the arbitrary demands of interest from its native creditors.

When the measures of the Resident drove the House to stop payment, on the twenty-sixth of April last, nearly four years after the loan had been concluded, the Trustees satisfied themselves, by an inspection of the books of the House, that between twenty and thirty lacs of rupees had been paid to native bankers, within the last year, for money standing at eighteen, twenty-one, or twenty-four per cent. per annum.

Mr. W. Palmer's Letter, 12th June, 1824, in Appendix, and Letter from W. Palmer and Co. to Sir C. Metcalfe, April, 6, 1824. In Mr. W. P.'s Mem. 270 and 803.

A compensation for this expense, by an acknowledgment for sixty lacs, in consideration of fifty-two lacs actually advanced, was agreed to by the Minister deliberately; and from his own conviction, that it was for his advantage to do so. By the Firm, as well as by all who knew him, he was believed fit to conduct his own pecuniary dealings, and to act for himself; he has never expressed the slightest wish or intention to depart from the engagement, or complain of the terms as exorbitant.

The House never professed to state their terms to the British Government, and cannot, therefore, justly, be charged with deception in keeping back the bonus. Even the Minister, in his original note to the Resident, stated the terms of the loan no further, than to express an, expectation, that the sum of sixteen lacs of rupees a year, would discharge the loan in about six years. According to the tenor of the original licence, granted to Messrs. William Palmer and Co. in 1816, they were only required to make the Resident acquainted, with the "*nature and object*" of their transactions, when called upon by him. When the accounts of the Aurungabad contract were laid before the Council, they were returned to the House, without having been recorded, and with a declaration, that the Governor General in Council, would not take cognizance of the details of the arrangement. Sir C. Metcalfe derived his knowledge of the terms of this loan from Chundoo Loll himself; a fact quite inconsistent with the supposition, of any plot or collusion to deceive or to conceal, existing between that Minister and the Firm.

The property of the Members of the Firm, formed but a small portion of the large loans made by them to the Nizam's Government. They were agents, borrowing from others, upon their own responsibility, of course they were to be remunerated for their trouble, risk, and various expences. Those expences, among which was the charge of collecting cash on the Assignments, the House computed at two per cent, which in fact was insufficient to cover them.

Messrs. William Palmer and Co. have stated in their letters to Sir Charles Metcalfe, that they were compelled to pay various rates, from 18 to 24 per cent. for about half the money lent. Sir Charles Metcalfe has never attempted to deny the correctness of that assertion, though he was on the spot, and could easily have done so, if it had been incorrect.

745. 475, 839, and 275.

When the House found it must raise at least half the amount of the loan upon such terms; it was reduced to the necessity, either of giving up the contract; of defeating the Minister's project, to reduce the rate of interest from 24 per cent. to 18 per cent.; or of accepting his proposal of a compensation. The latter was the most advantageous for him. It is susceptible of arithmetical proof, that 52 lacs, advanced upon acknowledgments for 60 lacs, at 18 per cent, was a better bargain for the Nizam than 52 lacs at 24 per cent., even supposing the debt to be liquidated within the period agreed upon. But in order to save your Honourable Court from reading a tedious calculation, I will only point out here, that the interest upon 52 lacs, at 24 per cent., would have been 12,48,000 per annum, while that upon 60 lacs, at 18 per cent. was only 10,80,000. The Minister, therefore, saved nearly two lacs a year in interest; in lieu of which he engaged to pay 8 lacs, at the termination of the loan. That promise, if its fulfilment could have been relied on, being worth an immediate payment of about two lacs.

It is asserted by Sir C. Metcalfe, that the agreement gave a bonus of above 264.

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33 per cent. to the House upon its actual advances. This was obviously an error, for the calculation was made upon the supposition, that only 22,76,994 rupees were advanced; but the Minister's accounts disprove that assertion, shewing actual advances to the extent of 38 lacs, and copies of the books of the House bear him out in this statement. The Bengal Government has asserted that the compensation made the interest upon the loan 33½; this
564. is still more erroneous; your Honourable Court has, correctly, calculated
376. the interest at 20¾ per cent.

If the same calculation, as that by which the interest has been called 33½ per cent., be applied to the loan, raised by your Government in India in 1818, that loan would seem to have yielded an interest to the subscribers at Benares and Lucknow, of 19 per cent.

Your Honourable Court has asserted, that an actual premium of 4½ per cent. is given to the subscribers, whose Lucknow and Benares rupees are
Financial Papers, page 187 received at par with sicca rupees. In the above loan of the Company, acknowledgments for 100 sicca rupees were given for 97 Lucknow and Benares rupees. The premium of 4½ per cent., for the difference of the rupees, reduced the actual payment to 92½ sicca rupees. The loan acknowledgments bore 10 per cent interest for the first year; or within a fraction of 11 per cent. upon the money advanced. The premium of 7½ upon 92½, or about eight per cent. added to the interest, according to the principle of calculation
564. applied to our loan, gives 19 per cent.

In April, 1821, Sir Charles Metcalfe thus wrote. "At the time of negociating the loan, a bonus was allowed of eight lacs. This sum now forms "a part of the capital of the debt, and, *whenever paid off*, will be in excess
196. "to the amount actually borrowed."

At that time he seems to have clearly understood the real nature of that transaction, and to have been aware, that it could not be considered as a sum of eight lacs, paid at once to the House, but as a sum which was to be paid on the final adjustment of the debt, at the end of six years, or at a later period, if the Assignments were not punctually paid. On the 1st of August, 1822, Sir C. Metcalfe gives a very different account, he says: "It appears that "60 lacs was the nominal amount of the loan, but a bonus being allowed of "15¼ per cent., or eight lacs in 60, for which amount, as repaid, credit is given
181. "in the first six months' account." The account upon which this assertion is founded, is given at the following page (182), by which it appears that the eight lacs above alluded to, for which credit is given, were the first half yearly payment upon the Tunka for 16 lacs, and that of that sum, 5,27,800 rupees, were due for the half yearly payment of interest, and the remainder 2,72,200 rupees, went to the reduction of the debt. If, therefore, the eight lacs for compensation had been realized by the Firm, in the first six months, the above account must have exhibited receipts by them, of 16 lacs of rupees in that period, instead of eight lacs. On the 14th of June, 1823, Sir C. Metcalfe says: "Whatever advances or charges may have been made by "Messrs. W. Palmer and Co., for any purposes good or bad, before or "after that fictitious transaction, it is perfectly clear that the pretended "60 lac loan was nothing more than a transfer of balances from one ac-"count to another, with the addition of a booty of eight lacs realized, and
554. "shared instanter." Again: "the sanction of the British Government be-"ing obtained, the loan is negociated by a transfer of 52 lacs from one "account to another, and by the payment, not by the House to the "Government, but from the Government to the House, of eight lacs, "which, being too good a thing to let slip, is immediately shared among
566. "the partners." The letter in which the above sentence is contained, professes to be supported by the evidence of the accounts which had been given in by the House, and which are printed. After such an exposition of Sir C. Metcalfe's knowledge of accounts, and of his reasoning upon the clearest evidence, your Honourable Court will, I hope, permit me to remark that no allegation of his, regarding the Firm, or any of its members,

can be adopted by you, unless it be supported by indisputable proof; and that, at least, wherever figures are concerned, he must be trusted in proportion to his proofs, rather than his assertions. The compensation to the House, was not a payment from the Minister, but a promise to pay at a future period. The real bargain was this: the Minister agreed on receiving 52 lacs of rupees to pay interest at the rate of 18 per cent. per annum on 60 lacs; and 18 per cent. on 60 lacs is equal to 20¼ per cent. on 52 lacs. This, therefore, as your Honourable Court has correctly stated, and not 33¼, according to the assertion contained in the letter from Bengal, was the real interest on the loan. With regard to the principal, the bonus was not paid, nor intended to be paid to the House, at the opening of the loan. The Minister, receiving 52 lacs agreed to repay 60 lacs. The first 52 lacs, therefore, that reached the House were to be in liquidation of the actual advance, and the remaining eight lacs, to be received at the termination, were to constitute the bonus. But the loan, supposing the House to realize the full amount of 16 lacs a year on the Assignments granted by the Minister, was to be discharged in six years. Consequently, even had the Minister's engagement been fulfilled to the letter, the bonus would have been, only a promise to pay eight lacs, at the expiration of six years. What was the value of such a promise? Setting aside all intermediate risks, natural and political, and supposing it to be covered by indisputable security, eight lacs, payable in six years, in a country where the usual interest of money is 24 per cent., a rate which the House actually paid on a portion of the funds raised by it for the loan, would be no more, than equivalent to an immediate payment of two lacs. But the Minister's engagement was not fulfilled. The House in the 280.
first year realized only 14,70,201 rupees on the Assignments, and in the second year, only 8,00,384, altogether only 22,70,585 rupees in two years, instead of 32 lacs. It is clear, therefore, that several additional years would have been required to discharge the loan. Say only four additional years, yet, even then, the bonus, under the most favourable view, was only a promise to pay eight lacs at the end of ten years. Eight lacs payable in ten years, would be worth only one lac paid down, and, in the market, would not have sold for even that. One lac on 52 lacs is less than two per cent., consequently, the whole effect of the eight lacs, was to raise the interest on the 52 lacs, of which the loan actually consisted, to 20¼ per cent., and to give a single bonus on the original payment of less than two per cent. Or, in another mode of stating the same thing, the House gave the Minister a fraction less than 87 for his securities for 100 rupees; those securities bearing 18 per cent. interest. In the latter case, the difference between that loan, and loans made in Europe, where stock is granted for a larger amount than the sum advanced, was this: that our loan was by the terms of it, to have been paid off in six years, and the latter loans are for an unlimited period. That difference, however, it will appear was more nominal than real, since the House possessed no power to compel the Nizam's Government to fulfil the contract. The result has shewn, that the produce of the Tunkas, as granted, instead of being to the amount of 16 lacs, was barely sufficient to cover the interest, and that the extinction of the debt could not, for that reason, have taken place for many years after the stipulated period. Neither the interest, nor the discount, will appear large, if contrasted with even the securities of the Company's Government in India, in former years. Those securities bearing 12 per cent., payable half yearly, have been at a discount of 10 per cent. At the commencement of Lord Wellesley's administration in India, he found it difficult to procure money at 12 per cent. payable half yearly, upon bonds redeemable in two years.

The House has repeatedly stated to the Resident, that about one half of the loan, was borrowed from the native bankers, at 18, 21 and 24 per cent. If 22 be taken as the average rate at which 30 lacs were borrowed, and 12 per cent. as the rate at which the other half was borrowed, then the average charge of interest paid by the House would be 17 per cent.

The interest to be received by the House, upon the actual advances, was raised by the bonus to 20¼ per cent. per annum; and the bonus gave a

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premium upon the sum advanced, which in fact amounted to about two per cent. for the first year; but if the terms of the contract had been adhered to by the Minister, it would have given a bonus of four per cent. for the first year on the whole transaction; and that is the utmost which, upon the most favourable supposition, the House could ever have gained.

But, besides the interest which the House paid, there were other expences which raised the actual charge to 19 per cent., for which they received 20¼ per cent. from the Nizam's Government. If the bonus is to be considered as interest, and included in the receipts of the first year, the House was to receive in truth 22¼ per cent. interest for the first year, and 20¼ per cent. after that; or, if the terms of the contract had been complied with, it would have received 24¼ per cent. in the first year, and 20¼ per cent. afterwards.

In April 1818, the British Government opened a loan bearing 10 per cent. interest in the first year, and 6 per cent. afterwards. The money was received at Hyderabad at the rate of 114½ Hyderabad rupees for 100 Company's rupees: The terms of that loan gave a premium of eight per cent. to subscribers in the upper provinces of Bengal, and of eight per cent. to the subscribers at Hyderabad, who, moreover, got within a fraction of 11 per cent. for their actual advances. If the five per cent. additional interest for the first year, be added to the bonus of eight per cent., it would make a bonus of 13 per cent. in addition to the Company's rate of interest, which bonus, upon 60 lacs of rupees, would amount to seven lacs and 80,000 rupees.

In 1819, the British Government opened a loan, to which the subscriptions at Hyderabad, were received at the Exchange of 118 Hyderabad rupees, for 100 Company's rupees; at that time the Resident's bills on Calcutta, at thirty days sight, equal to forty-five days date, were selling for 125½ Hyderabad rupees, the difference of exchange, and the 1 per cent. on the forty-five days (the loan acknowledgments bearing interest from the day the payment was made at Hyderabad) gave a premium of 8½ per cent. to the lender, or 5,10,000 upon 60 lacs.

The Records of the Company's Government will shew that the Resident has always been obliged to pay a premium at Hyderabad, when it has been necessary to raise a considerable sum of money there, by bills upon the Company's Treasuries. To this fact, repeated reference is made in the course of the printed papers. It is alluded to by the House, at page 275; and in Sir C. Metcalfe's comments upon that letter, at page 261, he does not deny it.

At page 49, in Mr. Fendall's minute, is this passage: "If the loan be "made by our Government, the cash must be remitted from hence, either "by bills of exchange or in specie, which must clog the loan with additional "expense, and in the latter mode, in addition to the expense, there will be "the risk of transportation."

On the 5th of April, 1821, Sir Charles Metcalfe, in discussing the policy of opening the Company's Treasuries for a loan to the Nizam, says, "The only inconvenience which strikes me as possible to arise from such a "transaction, is the effect which it might produce on the value of the "Company's notes in the market; but the effect (if any) would, I should "imagine, be very slight and insignificant. On this point, however, I am "not competent to form a judgment." It is to be remarked, that Sir
194. Charles Metcalfe had not had any experience upon this point, when he wrote this letter, as he had found money in the Treasury, and could have had scarcely any necessity for drawing.

On the 26th December, 1822, Sir Charles Metcalfe wrote as follows upon the subject of remittances to Hyderabad, for the redemption of the Peshcush:—"A most essential point for the satisfactory execution of those

" instructions, and that which induces me to trouble you at the present " moment, is the acquisition of a sufficient quantity of specie or bullion, to " give us a lead in the money market. LOAN.

" I understand that dollars will be the best remittance from Calcutta, " being as available as sicca rupees, which are not known in the currency " of this place, for either sale or re-coinage, and the expence of coinage at " the Calcutta mint being thereby saved.

" If the value of 40 or 50 lacs of rupees could be remitted from Calcutta, " either in dollars or rupees, as may be deemed most expedient, it would enable " us to counteract the tendency to an unfavourable alteration in the rate " of exchange, which will no doubt be felt on our commencing to draw so " largely as will be requisite. It would also provide for any disappoint- " ment on the side of Fort St. George, whither I have made application for " twenty-five or twenty lacs of rupees, if they can be spared. If the remit- " tances received should be more than sufficient for our wants, the pos- " session of specie or bullion will nevertheless be always useful, as giving " us a command in the market. Having had to provide by bills for the " expences of the subsidiary force and residency, for the last two years, " without any importation of specie, has of late considerably affected the " rate of exchange.

" It is not in my power to state what amount I may be able to raise by " bills. This will depend, in great measure, on the quantity of bills which " Messrs. W. Palmer and Co. may be disposed to take in payment of their " demand. If they have to pay off their European constituents, it may be " considerable. Much also will depend on the mode in which their native " constituents may wish to dispose of the money received by them: if they " remit it to our provinces, that will furnish another demand for bills. On " the whole, I think it most advisable to be prepared with a considerable " supply of specie; we can afterwards take advantage of any demands for " bills, and maintain a favourable rate of exchange." 349.

The value of 100 sicca rupees has varied from 113 to 130 Hyderabad rupees and upwards, according to the quantity of bills thrown into the market. Sir C. Metcalfe says, it varied from 20 to 30 per cent. When the Resident requires money at Hyderabad, if he is obliged to take less than the average value of 100 sicca (or Company's) rupees, he in fact pays a premium; but as he has not to replace the money in the treasuries from whence he drew it, this premium does not appear any where as an outgoing to the Government. But if a merchant borrows money at Calcutta for the use of the Nizam, and has to replace that money afterwards, he sustains an evident loss. Suppose he obtains 115 Hyderabad rupees for his bill for 100 Company's rupees, and, afterwards, to replace the money, gives 130 Hyderabad rupees for 100 Company's rupees, (which he would be compelled to do when bills were in demand) he actually pays a premium of 15 rupees upon every 100; and this must have been the case, had the House adhered to the original intention, of raising money for the loan in the British Presidencies, unless it could be obtained from the native Bankers at reasonable rates. Note to page 349.

In 1816, the Company's bills upon their Treasury at Furruckabad were sold for 113 Hyderabad rupees. It was known that those bills would not be punctually paid there, but they bore interest after they became due; at the same time, the private bills on Furruckabad were selling at 122 Hyderabad rupees for 100 Furruckabad. The Company therefore paid a premium of nine per cent. to raise money at Hyderabad.

When the arrangements, regarding the purchase of the Peishcush by the Bengal Government, were concluded, it appears that the Nizam was to receive 1,16,66,666 rupees, for the relinquishment of it. Of this 342.

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sum only 89,94,620 rupees were to be received by the Nizam's Government, by remittances to Hyderabad, because your Government deducted 26,72,045 rupees from the amount, of which the greater part was for a debt due by the Nizam's to the Company's Government, and 2,30,145 rupees
842. for interest.

Of the sum to be remitted, it appears that the value of 41,16,647 rupees were remitted in specie, and 48,77,978 rupees were, I presume, raised by bills upon your treasuries. Your Honourable Court will perceive, by reference to pages 842 and 819, that the expences paid by one party upon the remittance in specie, exceeded 15 per cent. The charge for interest, which appears
842. in the account, must have been mostly, if not entirely, for the purchase of the specie in Calcutta, (which commenced in the end of 1822, and the sale of which did not take place at Hyderabad till October, 1823,)*
750. and it appears that it was. This payment of interest upon specie, which was of no use for so long a period, must be brought into the expences of the arrangement; and consequently the real charges on the remittance were

2,30,145,	13, 0	rupees for interest, (at page 842.)
1,09,749,	15, 10	expences at page 842
43,288,	6, 10	charges at page 819
Total 3,83,184,	3, 8.	

The above sum must be deducted from the produce of the specie. This is stated at Hyderabad rupees, 40,73,358,15,7; and after deducting the charges, the net produce would be, 36,901, 74, 12 rupees. This remittance of specie was made to save a heavier loss in some other way; but, even by Sir C. Metcalfe's account of the success of an arrangement which he had suggested, the Nizam paid a premium or expence for this arrangement, of nearly four lacs, upon less than 37 lacs. But your Honourable Court will
819. perceive, that the charge to the Nizam for these 36,90,174, 12 Hyderabad rupees was 33,65,050, 12, 7 sicca rupees; and consequently, that he cleared something less than 110 Hyderabad rupees for every 100 sicca rupees which he paid for this specie. This, taking the average value of 100 sicca rupees at 125 Hyderabad rupees, which is a fair average,
Note to 535. as admitted by Sir C. Metcalfe, amounted to a payment, or a loss, of something more than 15 per cent. to obtain less than 37 lacs at Hyderabad, by borrowing it in Calcutta, or nearly five lacs upon 37 lacs so borrowed. This, however, includes only such expences as appear in the printed papers. The mint expences upon the blank rupees do not appear there, nor does the expence of their transportation to the mint at Aurungabad, and of their return to Hyderabad. There was some loss also upon these blank rupees, which is not explained; credit is given for them in the account, at page 819, as if they had passed at once into circulation; but Sir Charles Metcalfe says, "The blank rupees have also proved to be
818. "a bad remittance." It appears, therefore, that the expence of this transaction may be fairly calculated at more than 15 per cent.; and this must have been borne either solely by the Nizam, or conjointly by the Company's Government and his. If the calculation of the value of the Peishcush was made in sicca rupees, the whole expence was the Nizam's; for he sold these sicca rupees for 15 per cent. less than their value. If the calculation was made in Hyderabad rupees, then the loss by exchange was the Company's; since they received credit for so much less at Hyderabad than the value of the sicca rupees, they paid in Calcutta for the bullion. My object in these comments is not to presume to offer an opinion upon the policy of the arrangement; but to shew, that even the Supreme Government could not effect the remittance of about thirty-seven lacs of rupees to Hyderabad, without an expence, proportionably greater, than that of the compensation to the House upon the loan; and yet there were many heavy expences attending this transaction, which are not mentioned, and which nevertheless ought to be charged to it. The freight of specie from Bengal to the Coast could not have been less than one per cent., and if the Government used its own

vessels, the calculation ought nevertheless to include this expence: individuals must have paid it. Insurance of the specie from Calcutta to the Coast must also be added; if the Government took the risk, it became the insurer; but in any way the risk was incurred by some party. The expences of land carriage to Hyderabad, and of protection on the road, must have been incurred by individuals. In this instance it was probably saved by the use of public carriages and cattle, and of Government soldiers, but they ought to be taken into consideration.

I confidently hope that the above facts will be considered as indisputable evidence, that the compensation to the House, for the expense of procuring a very large sum in specie at Hyderabad, was not unreasonable.

When Sir Charles Metcalfe commenced paying the accounts of the Firm with the Nizam's Minister, he forced them to receive payment of 40 lacs at one time in cash, or bills at Hyderabad, and it appears that they received from him 46,88,490 rupees in the course of 18 days; the consequence was, that they were obliged to take bills upon any terms, however disadvantageous, to get rid of this specie, which they could not keep idle, while they were paying interest to their constituents, and the demand of the House for bills, being, to a great extent, in proportion to Sir Charles Metcalfe's payments of cash to them, the depreciation in their value would not therefore take place to the extent it usually did when bills were forced upon the market. 842.

The grant of a bonus to Loan Contractors appears to be consonant to the constant usage in England. Thus the contractors in 1813 paid £57 to receive three per cent. Stock for £100. They received more than five per cent. for the money actually advanced, and if ever the loan be paid off, they will receive a bonus of £75 per cent. upon the actual advance.

The Mexican Loan effected by Mr. Migoni, in London, in behalf of his Government, has never, I believe, been supposed to be objectionable. I have understood the terms to have been, a payment by the contractors of £48 upon the bonds in behalf of the Mexican Government for £100, bearing interest at £5 per cent. payable quarterly in London. This gives to the lenders £5 per annum upon an actual advance of £48, and a bonus of upwards of 108 per cent. upon the advance, whenever the bonds shall be liquidated. There was, I understand, a condition attached to this loan, that no other should be raised in Europe for twelve months subsequent to the conclusion of it; that 25 per cent. also of the above loan should be paid off at par out of the first proceeds of any subsequent loan that the Mexican Government might negociate in Europe, and such subsequent loan is reported by the public papers to be in a state of forwardness for issue. If this premium upon repayment of the bonds, is not considered an absolute gain to the contractors, because there was no clause for their repayment at any definite period, at least the difference between the contract price, and that at which the stock was brought into the market, must be allowed to have been a bonus to them. It was brought out at £58, which was in conformity with the terms of the agreement, the £10 upon £48, (or upwards of 20 per cent. upon the sums advanced) being considered a fair remuneration to the parties charged with the negociation. The terms of many other loans made in London for foreign Governments, might be adduced as evidence, that upon all such negociations the contractors have been allowed a considerable benefit, by way of bonus, beyond the interest agreed upon; and yet they know little of Asiatic Courts, who compare the security of the best established among them, to that of even the worst European or American State.

In Sir C. Metcalfe's despatch of the 12th July, 1823, he says, "Many "payments appear of cash to a person named Nursoo. This is a confiden-"tial servant of Rajah Chundoo Loll, who used to attend the House for "money. If the disbursements of this person could be ascertained, they "would, I suspect, disclose much which remains concealed." I am at a loss to discover why any suspicions should be attached to those payments.

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Nursoo was, as Sir C. Metcalfe says, the person who used to attend the House for money; he was what in Bengal would be called the Minister's Sircar; in Madras, his Dobash. If any suspicions can attach to the disbursement of the money he received, though I know of no grounds for them, they cannot attach to the House. The payments were *bona fide* payments on the Minister's drafts, and the House could have no knowledge of the purposes to which the money was applied. The Minister could not attend the House for money himself; he must have employed some one, and Nursoo was the obvious person for that purpose.

In consequence of the misconceptions, and I am compelled to add, misrepresentations, regarding the loan negociated by Messrs. W. Palmer and Co. your Government has interfered to break the contract with the Nizam's Government; the most opprobrious epithets have been applied to the transactions of their House; they have been accused of extortion, and of making illicit gains; they have been shut out by the orders of your Government from receiving a considerable part of their claims upon the Nizam, notwithstanding that the justice of those claims is allowed, unequivocally, by his Minister.

The Nizam has received all the benefits of the improvements in his country through the loan, while, owing to the mistaken opinions of your Government regarding the bonus, that loan has been the ruin of the House. The Nizam's Government is surely not entitled, in these circumstances, to the benefit of the reduction of the expense of the loan, by means of the bonus; and your Honourable Court will, I hope, think it just to assist Messrs. Wm. Palmer and Co. in recovering from the Nizam's Government the amount of their payments upon that account, namely, 52 lacs of rupees, together with interest upon the loan account at the rate which they were authorized to charge, namely, 24 per cent. up to the period of the final settlement. Such an arrangement will give to Messrs. Wm. Palmer and Co. a greater sum than they have hitherto claimed from the Nizam's Minister, but it cannot be considered by him an unreasonable demand.

AURUNGABAD CONTRACT, AND PAYMENT OF BERAR SUWARS.

5. Mr. Russell's Letter of September 21, 1824, page 5.

III.—After the licence had been granted to Messrs. W. Palmer and Co. in 1816, they entered into two engagements with the Nizam's Minister, under the sanction of the Resident's express approbation and consent: the one for paying a portion of the reformed cavalry in Berar; the other, for the payment of the regular troops in that Province. The existence of those engagements had been reported by the Resident, in December, 1816, and December, 1818. The first arrangement had received the approbation of the Governor General in Council, and its nature and object seem to have been considered so important for the British interest, at that time, that no question was raised in Council as to its propriety in any of its parts.

The second, does not appear to have been reported by Mr. Russell, till some months after it had taken place; and he seems also to have been fully persuaded, that at the time of peril and anxiety during which it was made, there were no grounds for apprehending opposition to it in any quarter. Indeed the communications, which took place between the Resident and the Firm, tended to convince the latter, that their acceptance of the Minister's proposals at that time, was, not only unobjectionable, but commendable, and entitled them to the *favourable consideration of the British Government.* The correspondence between the Government and the Resident on the subject, began in the early part of 1819, and continued for several months. On my arrival in Calcutta, in October, 1819, I found that the Firm had been called upon for copies of their accounts with the Nizam's Minister, in circumstances which evidently indicated suspicion and jealousy of their transactions. I certainly did think that requisition was unjust. It was notorious at that time, that the House had been for three years engaged in pecuniary transactions with the Nizam's Government; that it had paid his troops, and supported his credit and his Government, during the eventful period of the Pindarry and Marhatta wars; that it had incurred all the risks to which the politics of the Native States exposed it; that those risks

were extreme at Hyderabad, where nothing but the character, talents, and steadiness of the Minister, aided by the counsels, and supported by the firmness and confidence of Mr. Russell, could save the State from falling into the arms of the enemy, and openly taking part against the British interests; that it had made those efforts without considering its own interests exclusively, and had been exposed, not only to risks, but to actual losses upon loans raised from Natives for those purposes; and that it was not possible to have obtained funds for such purposes, without paying heavy interest for them, and consequently requiring a correspondent interest from the Nizam. When the above requisition was made, the British Government had derived all the advantage of the Nizam's co-operation, by means of the funds of the House, and the Nizam's Government had escaped from its dangers, and was placed from thenceforward upon a footing of stability which it had never before attained. Had the Nizam's Government been destroyed in the general convulsion, the whole advances of the House would have been lost, and the British Government would have told the Firm of W. Palmer and Co. that they had knowingly run those risks, and must take the consequences. But no sooner had they escaped from those risks, than objections were raised by a new Member of Council, by whom was manifested a disposition to canvass the details of the expense which had attended a speculation of most fearful and incalculable danger.

I was fully aware that the British Government was neither ignorant of the general rates of all pecuniary transactions in the Nizam's country, nor of the rates of the transactions in question, and I therefore considered that the desire to have those particulars officially before them, must be for some ulterior object, pregnant with danger to the House. I knew that the Nizam's Government was deeply indebted to the Firm, and that all the advances had been made at rates of interest which must sound alarmingly high in England, notwithstanding which, the House had been very inadequately paid, both for its risks and its costs.

The symptoms of jealousy and suspicion then manifested towards the House, led me to believe that, at the time, we had much to lose by having our whole affairs discussed by the Council; our credit was our all, and might easily be shaken; we had a duty to perform towards our creditors as well as ourselves, and I therefore resisted, for the moment, any official production of the accounts, which must have been formally recorded in the Deliberations of the Board.

The correspondence between the Secretary to Government and myself upon that subject, is given at page 20 of the printed papers. On the 9th October, I attended the Council Board, and on the same day a letter was written to the Resident at Hyderabad, dispensing with the production of the accounts. Long before that letter had reached Hyderabad, however, the House had furnished them, together with the fullest explanations. On the 1st of January, Mr. Stuart recorded a Minute dated November 10th. In that Minute he appears to have viewed my letter of the 7th of October, as highly objectionable on the ground of the two following sentences: first "as mercantile men we could not with propriety furnish copies "of our accounts with our constituents; such a measure would be highly "injurious to our affairs, and destroy the confidence which the public repose "in us. We did not conceal any part of our transaction with the Minister "from Mr. Russell, when he formerly called upon us, in consequence of the "letter addressed to him by the Secretary to Government, and we are at "all times ready to afford him similar information." Upon the first of these sentences, Mr. Stuart expresses his astonishment that I should have used the word "constituents," in allusion to the Nizam's Government, and that I should have urged any objection to the production of the accounts of the Firm with that Government. I may have been inaccurate in the application of the term, and I may, possibly, have been wrong in my objection, but I still think that good reasons may be urged in support of it.— 23. 20.

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The grounds upon which Mr. Stuart considers the objection invalid, were 1st.—The total dependance of the House upon the British Government for its existence.—They could not, he says, "conduct their mercantile con-"cerns in that country, a day, or an hour, without the protection of the "British Representative;" and 2ndly, That the instrument by which, alone, they were enabled to enter into any pecuniary transactions with the Nizam's Government, contained a distinct condition that they should at all times when required to do so by the Resident at Hyderabad, communicate to him the nature and objects of their transactions with the Government, on the subject of the Nizam.

The *first* of these grounds is conclusive as to the power of the British Government to compel the House to obey the above requisition, or any other it might make, but I submit that it by no means proves the justice of the requisition; and that because they had the power, it was justifiable to exercise it.

The *second* shews, that the Firm were bound to communicate the nature and objects of their transactions; which they never hesitated to do. The inquisition which I had ventured to resist, was of a different nature, and went far beyond the general power which the Government had reserved to the Resident. The Letter from Mr. Adam which accompanied the Licence, defined those powers even more distinctly than the Licence itself; it expressly gave permission to do "the acts above referred to, *with no other* "*reservation*, than that it shall be at the discretion of the British Resident "at Hyderabad, for the time being, to satisfy himself regarding *the nature* "*and objects* of the transactions in which you may engage under the per-"mission now accorded." I did consider that the requisition *for copies of the accounts of the House* with the Nizam's Minister, did not come within the above reservation.

I considered at the time, that the Firm might lose the confidence of Rajah Chundoo Loll, if he found that his accounts with them were liable to be called for by the British Government; that if the Governor General in Council thought it just to inspect their accounts, Messrs William Palmer and Co. ought to have been called upon by the Minister to furnish them; at any rate, that his consent should have been asked; and that, as the Minister of an independent prince, he would have reason for displeasure if they gave them up, unhesitatingly, the moment they were required.

Regarding the second sentence in my Letter, Mr. Stuart observes, that, "I dwelt with some emphasis upon the willingness of the House to disclose "to the Resident any part of their transactions with the Minister. The "faith due to constituents, then, was no impediment to any disclosures to "the Resident? It is to be opposed only to the demand of this Govern-"ment for information."

Mr. Stuart seems to have imagined that the House had some personal reason relating to the Resident, individually, which accounted for their willingness to make disclosures to him. I declare that I had no such motive. I considered that the Resident was best able to judge of the nature and objects of the transactions of the House, from his local knowledge, and I hoped that his Reports upon those subjects, would have afforded sufficient information. But though I had other reasons beside the one set forth in my Letter, for not wishing the accounts of the House to be put upon the Records of the Council, I could have none whatever, for wishing to conceal any thing connected with them from any Member of the Government; I was as ready to give the fullest information to Mr. Stuart as to Mr. Russell, and I offered to wait upon Mr. Stuart with copies of the very accounts, which I declined giving officially to the Governor General in Council—my objection lay not against the accounts being seen, but against their being formally discussed and then placed in the Records of the Government. Mr.

Stuart's Minute is dated near a month after I had been summoned before the Council. I had then stated the reasons, not mentioned in my Letter, for wishing the accounts not to be put upon Record, and had manifested my readiness to afford the same information to every Member of the Council, which I had already offered to Mr. Stuart. I cannot therefore see with what justice he says, "The contrast of the language held by the "House on the present occasion, is remarkable. Having procured assign- "ments on the Nizam's Revenues, to the annual extent of thirty lacs of "rupees, and having been called upon by the Government to furnish state- "ments requisite to enable us to form a judgment upon the propriety of the "arrangements connected with that assignment, the House have thought "fit to reply, that their reputation and interests would suffer if they were to "disclose the concerns of their constituents." 28.

I cannot see that the above observations apply even to myself, personally, or to the solicitation which I had made, qualified as it was, with an offer to give any information which might not be put upon Record; but certainly they could not apply to the House, which long before the Minute was recorded, had without any hesitation, furnished the very accounts that had been required.

If the object of the Government was simply to obtain the means of forming a judgment upon the propriety of the arrangements, I submit that that judgment might have been formed with equal effect, without recording the accounts. The Government would have been equally enabled to prohibit the continuance of the contract, if it appeared objectionable. A further reason was urged by me before the Council, for objecting to their being recorded. It is said in Lord Hastings' Minute, "When Sir William Rumbold "was called before the Council, he explained, that the supplication of the "House for Government's dispensing with the delivery of a copy of the "accounts, had this sole motive—the accounts once put on the proceed- "ings of Council, must be transmitted home, so that the transactions of the "House would be subjected, in London, to the inspection of persons liable "to form all kinds of false deductions, from total ignorance of the habits "of the country, and of every concomitant particular. At the same time, "he offered to explain every part of the transactions verbally, on oath, to the "Council. He further proposed to wait upon Mr. Stuart at his own house, "and there submit the accounts to his examination." 32.

I submit, that experience has since proved the soundness of this reason; and the prejudices which have prevailed regarding the terms of the loans have too clearly shewn how liable the accounts would have been to misapprehension at home.

Thus much I have said in defence of my own, individual conduct; my objections may have been unfounded; and it is clear that my own partners thought them so, for they did send copies of the accounts within twenty days after the requisition was made by Mr. Russell. They were in his possession within three days from my attendance before the Council.; and consequently long before I could have had any communication with Hyderabad. These accounts, as appears by the letter of Messrs William Palmer and Co., were fully explanatory, and they left Hyderabad on the fifteenth of 21.
October. At the date of Mr. Stuart's Minute, therefore, they must have Ibid.
been in Calcutta. Mr. Stuart says, "No answer has been received from "the Resident." He had not, consequently, heard of the arrival of the accounts, but as this comment seems to imply censure, which it appears the House did not deserve, I must express my regret that he did not ascertain that point from the Secretary to Government. Mr. Stuart's Minute, though dated the tenth of November, was not recorded till the first of January, 1820. And he then recorded his remarks as applicable to the conduct of the Firm, full six weeks after the accounts had been in Calcutta, and had

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passed in circulation among the Members of Government, and through his own hands. They were laid on the Council table on the seventh of December, and on that day ordered to be returned to Hyderabad. Yet on the first of January, Mr. Stuart recorded his Minute, dated the tenth of November. In that Minute, Mr. Stuart says, "There is before the Govern-
735. "ment no new information or reasoning upon the subject, other than is
23. "comprehended in a letter from Sir William Rumbold, one of the partners
26. "of the House, dated seventh of October." And again, "But are the "House prepared seriously to urge, that, because the British Representative "at the Court of Hyderabad was indicated to the House, as the person "who was to exercise immediate controul over their conduct, and to whom "they were bound to communicate all their transactions with the Native "State, this Government therefore meant to abdicate their right, and their "duty of satisfying themselves that the controul was duly exercised, or of "requiring from the Resident, or the House, any information which might
27. "be deemed necessary to that end?" At that time, as your Honourable Court will perceive, the accounts had been furnished by the House; they had been forwarded officially to the Secretary; they had been laid upon the Council table; they had been circulated among the Members of Government, and had consequently been in the possession of Mr. Stuart himself.

From that time the Aurungabad arrangement was left undisturbed, till the month of June, 1822, when it was directed to cease, in consequence of
161. orders from your Honourable Court.

Since that period, various allegations have been made against it, by Sir C. Metcalfe; he says, Messrs William Palmer and Co. "did not consider
171. "themselves as bound to furnish funds if the revenues failed." Again, "The contract did not secure the regular payment of the troops in the "event of delay in the payment of the Government, and was therefore "nugatory, as to any benefit to the Government, and nearly so, as to the
466. "payment of the troops;" and in the same paragraph, he acknowledges that, "the plan adopted for the payment of the troops in Berar through "Messrs William Palmer and Co., has, in practice, answered the expecta-"tions formed of it." If the circumstance that Messrs William Palmer and Co. did not consider themselves bound to go on, eternally, advancing funds for the Nizam without any reimbursement, be considered an objection to the plan, I apprehend it would have been impossible to suggest any that had not that inconvenience. Again, Sir C. Metcalfe says, that the arrangement "had been effected at a considerable charge, which, with proper man-"agement might have been avoided." The same opinions upon that subject appear in various parts of his printed letters, but he nowhere suggests what that management should have consisted in. In the same letter Sir C. Metcalfe describes the Minister to have expressed great satisfaction at the dissolution of the Contract, "as relieving the Nizam's Government from "an unnecessary expense;" and to have undertaken "readily to make
170. "other arrangements for the regular payment of the troops." It is true that Sir C. Metcalfe expresses some doubt as to the fulfilment of this promise, but in this, as in all other instances, the Minister's declaration is advanced, so as to produce its effect, in spite of the qualification with which it is subsequently, and ingeniously accompanied.

An end having thus been put to the Aurungabad contract, Sir Charles Metcalfe, of course, pursued that method in providing for the payment of the troops; which, in his judgment, ought to have been followed originally. He did, no doubt, the best he could, both for the Nizam's Government, and for the troops; yet what was the result of his experiment? At the expiration of a year and a half, in November 1823, he himself described it in the following remarkable terms: "The payment of the regular troops has been "effected only by incessant attention on our part. At first I trusted to "the Minister's positive assurances, that he had actually supplied the

" requisite funds, but it at length appeared, that a portion of the troops " had been for five months without receiving any pay, and that, in some " instances, *the recruits had fainted in the ranks, from the want of wholesome* " *subsistence.* It became necessary to give more direct attention to this sub- " ject, and *partly by continual urgency, partly by persuading the native* " *bankers to advance money at twelve per cent. interest, and partly by* " *occasional recourse in emergency to the extreme measure of advancing cash* " *from the Treasury,* on the security of the Peishcush, the troops have " latterly been paid *with tolerable regularity. The subject, however, will* " *continue to require incessant attention,* for no reliance can be placed on " the most solemn promises of Chundoo Loll, and if the payment of the " troops be left to his management, *without continual enquiry and urgency* " *on our part, the arrears will rapidly increase,* until the pressure become " insupportable for the troops, and relief impracticable on the part of the " Government." Under Sir Charles Metcalfe's system, therefore, the troops 841. in a time of profound peace, were fainting in the ranks, for want of sustenance. Under the arrangement with Messrs. W. Palmer and Co., they performed, vigorously, and effectively, every duty required of them, and went through the war without the occurrence of any difficulty, or one single instance of failure in their resources. If when the Aurungabad contract was formed in 1818, the troops had been suffered to fall into the condition in which Sir Charles Metcalfe describes them in 1823, your Honourable Court must be sensible, that the operations, and probably the event of the campaign, would have been very different from what they happily proved.

This was the political result.—I must now request the attention of your Honourable Court to the subject considered, in a financial view, as a simple question of account. In 1823, when Sir C. Metcalfe using his influence to persuade the native bankers to lend, and borrowing from them on the security of the English Resident, could raise only a small, and inadequate sum, at 12 per cent., peace prevailed throughout the whole of India; and so great was the glut of money, that in Calcutta, the houses of Agency allowed only 6 per cent. interest on fixed, and 4 per cent. on floating balances. In 1818, when the Aurungabad contract was made, the British Government was in the midst of one of the most extensive wars in which it had ever engaged, and money was so scarce, that in Calcutta, the houses of business, even depositing Company's paper, were borrowing at 12 per cent.; and it is generally understood at much higher rates. Why was the same variation which took place in the money market at Calcutta, not to take place at Hyderadad? The two Governments were at both periods in the same circumstances as to war, and peace: in 1818, indeed, the state of public affairs was calculated to produce a much more powerful effect upon the money market at Hyderabad, than at Calcutta. At Calcutta, there was no panic; the security of the Government was never threatened, and the money market was affected, only, by the increased demand for capital which war always occasions. At Hyderabad on the contrary, the danger was real and imminent, and the prevalent opinion certainly was, that the Nizam's Government would not stand. If therefore, in 1823, the interest paid by Sir C. Metcalfe on a small sum at Hyderabad, was double the rate paid in Calcutta, what ground of objection is there to the terms of the arrangement with the House in 1818, which proved adequate to its purpose. and in which the same relative proportion of interest prevailed between Hyderabad and Calcutta? If that difference was reasonable during the peace in 1823, it was still more so during the war in 1818.

If your Honourable Court will examine the difference between your own financial operations at the two periods now in question, you will find these to be the results. In April 1818, the same month in which the Aurungabad contract was made, the Company opened a loan, on which they paid interest at the rate of 10 per cent. per annum, for the first fifteen months, and the subscriptions at Hyderabad were received on terms, which gave a

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bonus of 8 per cent. to the subscribers,* while it also gave those in the Upper Provinces of Bengal, a bonus of 8 per cent. In 1823, when the troops at Aurungabad, were reduced for want of pay, to the distress described by Sir C. Metcalfe, the Company paid off a considerable portion of their 6 per cent debt, and opened a new loan at 5 per cent. In April 1818, also, the Company's 6 per cent. paper was at a discount of ten per cent.; and in November 1823, the same paper, though the interest to absentee holders had been reduced to 5 per cent., was at a premium of 36¼ per cent. or, according to the English mode of stating it, the 6 per cents were at 90 in 1818; and the 5 per cents were at 136¼ in 1823. The interest yielded by the funds, therefore, was 6^{5} in 1818, and only $3\frac{13}{20}$ in 1823.

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729. 736. 158, 737.

IV.—I must now solicit the attention of your Honourable Court, to the circumstances of the affidavit sworn to by Mr. W. Palmer and myself. I have already mentioned my having been required to attend before the Governor General in Council, in 1819, on the occasion of the discussions which arose upon our contract with the Nizam's Government, at Aurungabad. While I was before the Council, I stated my readiness to declare on oath that Mr. Russell had no interest in our transactions. In December, 1820, a declaration to the same effect was made by Mr. W. Palmer, and in June, 1821, our joint affidavit was sworn and transmitted to Lord Hastings.—The purpose for which Lord Hastings called for it, and for which Mr. W. Palmer and myself made it, was to establish the fact, that Mr. Russell had not had directly, or indirectly, any interest in our Establishment. On this point the affidavit was distinct and explicit, and as far as Mr. Russell, directly, or through his brother, indirectly, were concerned, Mr. W. Palmer and I could have made the affidavit in the terms proposed by Sir C. Metcalfe, himself, as a test. On account of the relation in which Mr. Sotheby had stood towards the Firm, it is manifest that we could not declare, that no gentleman belonging to the Residency, besides Mr. Currie, had been connected with it, or had had any interest in its concerns. It was for that reason alone, that the qualification was introduced into the affidavit. There was no deception or evasion in the terms of that document, unless it be deceptive or evasive, to swear distinctly to the only fact that is in question at the time, and to abstain from swearing to matters which are not in question.

268. *

Your Honourable Court will judge, however, of the spirit by which Sir C. Metcalfe was actuated in that stage of his proceedings towards the House, by the fact of his having recommended, that the partners should be called upon to make an affidavit, in terms which he at the same time declared, he knew they could not make without perjuring themselves.

Sir C. Metcalfe has been at some pains, to make it appear, that the period assigned by Mr. W. Palmer, as that to which the affidavit refers, was not the date of the Establishment of our House; and he says, "what he terms the "establishment of the present House, is also a fiction, for though some

* At Hyderabad, the usual difference of exchange with Calcutta and Furruckabad, was six per cent. in favour of the former; that is, when 113 Hyderabad rupees were equal to 100 Furruckabad rupees, 119 were equal to 100 Calcutta siccas. The difference also with Calcutta and Madras was eight per cent. in favour of the former; that is, when 111 Hyderabad rupees were equal to 100 Madras rupees, 119 were equal to 100 Calcutta siccas. The difference with Masulipatam was the same. When the loan of April, 1818, was opened, of course there was no demand at Hyderabad for bills on Calcutta, the subscriptions to the loan being of themselves the best remittance. In May, when the Resident's Treasury was opened for the receipt of subscriptions, the exchange with Furruckabad was 15½ per cent. and that with Madras and Masulipatam 13, the usual addition of six to the former and eight to the latter, gives for the exchange with Calcutta, 21½ per cent. in one instance, and 21 per cent. in the other. The subscriptions to the loan were ordered to be received at Hyderabad, at the rate of 114½ Hyderabad rupees for 100 Calcutta siccas. The profit on exchange, therefore, being the difference between 114½ and 121½, was seven per cent. Bills of exchange were drawn at 30 days sight, equal to 45 days date; allow one per cent. as the interest for those 45 days, the loan certificates bearing interest from their date, and the result is eight per cent. as the total gain or bonus on the subscription.

" partners have gone out, and others have been admitted, and though it has " latterly more openly assumed the designation of W. Palmer and Co., the " House has been one and the same from its commencement." In contradiction of this, it is only necessary to refer your Honourable Court to the accounts given in by the House, from which it appears distinctly, that the House did commence in 1814, and the fact is, that Mr. W. Palmer had previous to that period, closed his transactions, as far as he could, and had returned the funds to his constituents. When the present House was established, it adopted such of Mr. Palmer's transactions as it thought desirable, and that is the only connexion it had with his former concern. 531.

Mr. Adam denies the justice of the plea, that Mr. Sotheby had no political influence, because he was " in a situation where he might suddenly be called to exercise all the functions of the Representative of the British Government at Hyderabad." To this I can only reply, that Mr. William Palmer and I swore to a simple fact, and not to a contingency. 469.

In my letter of the 11th June, in reply to the queries which were put to me, I stated all the circumstances of Mr. Sotheby's connection with the House; upon which Sir Charles Metcalfe remarks, that I gave the information when I knew the fact had been ascertained. He is so far correct, that I should not have made the disclosure, if I had not known from Mr. Sotheby that it was his intention to do so; the question was of importance to him, and not to me. That Sir Charles Metcalfe had long known the fact, I was well aware, for I had myself told him of it; but I do not perceive that he had any other information, but what he got from Mr. Sotheby or myself; at least none of which he could have availed himself.—He says, " the partnership of Mr. First Assistant Sotheby, could not, I conceive, be " denied, either by that gentleman himself or by Messrs. William Palmer " and Co., but if it should be denied, the fact of his having signed, as " one of the partners, the deed of release to Mr. William Currie, can, " I believe, be substantiated by proof:" again, " The deed of release to Mr. " Currie, signed by Mr. H. Sotheby, as one of the partners of the House of " William Palmer and Co., was at Hyderabad about September last. The " document may, or may not be procurable now, but two gentlemen who " have seen it are known to me, and would, I conclude, be ready, if it were " necessary, to depose to the fact." 551. 465. 498.

The two gentlemen, to whom Sir Charles Metcalfe here alludes, are Lieutenant Holroyd and Lieutenant Barnett; and when I shall have exhibited to your Honourable Court, the circumstances under which Lieutenant Barnett acquired a knowledge of Mr. Sotheby's signature to the deed, you will be satisfied that he could not have come forward to depose to the fact. After Mr. Currie retired from the Firm, a deed of release was executed to him, under the signature of all the partners; Mr. Currie having quitted India, the deed was deposited for him, with his friend Lieutenant Holroyd, the Commandant of the Resident's escort at Hyderabad. Lieutenant Barnett, Sir Charles Metcalfe's second assistant, (Mr. Sotheby being the first,) in the course of a visit at Lieutenant Holroyd's house, introduced the subject of Mr. Currie's retirement from the Firm, either not knowing, or pretending not to know, at what precise period it took place.

When Mr. Sotheby was informed, that Sir Charles Metcalfe had communicated the circumstance of the existence of that document to the Government, he wrote to Lieutenant Holroyd, to ask him why he had given that paper over to others; and when, and to whom, he had communicated it. In Lieutenant Holroyd's reply, he says, that he was asked by Lieutenant Barnett, to tell him the date of Mr. Currie's retirement from the House. " And it was to prove the date of *it*, as asked for of me, that *I referred* to " it, and it was then Captain Barnett *unfortunately saw* your name, as *I* " *was looking* for the date." Again he says, " To my great astonishment and " my very *deep regret, I was told in confidence*, a short time since, that the " release of partnership to Mr. Currie, signed by you, had been alluded

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" to and brought forward as one of the circumstances against you." Again: " the release was never *shewn by me* to the best of my belief, *to any person*, " but Captain Barnett saw it as I have mentioned before, and upon him I " have called to declare for your information, the circumstance under which " he became acquainted with it, which is as he states, in his note to me, " a copy of which I enclose."

" If I had ever had the slightest idea that the *knowledge accidentally*, and " *so unfortunately obtained* by Captain Barnett, would have been brought " forward against you, I should at least have considered it my duty to " have made you acquainted with the circumstance." He says " Cap- " tain Barnett asked me for it, which *I immediately positively refused*, " and I thereby conceived *I had refused his using his accidental knowledge* " *of your signature to such a document.*"

" It was only very lately and confidentially, that I was informed, the " knowledge of your having signed the release had been introduced against " you; *I was bound to silence*, or I would even then have immediately " written to you, and explained what your letter has now afforded me an " opportunity of doing"

The following is an Extract from the Enclosure in the Letter from Captain Holroyd, to Mr. Sotheby.

" On my enquiring of you the period at which Doctor Currie ceased to be " a partner of the Firm of William Palmer and Co., we at first searched for " the Newspaper containing the advertisement, but which we were unable to " find; you then took out the deed of release as possibly affording the re- " quired information."

" *By the merest accident*, when you were searching for the date, the name " of Hans Sotheby caught my eye amongst the signatures; on which I " remarked that I was placed in an awkward situation, and asked if I might " be permitted to shew the paper to the Resident, to which you answered in " the negative."

" I may mention in conclusion that I informed Metcalfe of the existence " of this deed, without at the time having much idea of a future necessity for " such information being made public, not, however, that this consideration " would have deterred me from the disclosure.

The precise date at which Lieutenant Barnett made this discovery by *accidentally* overlooking the paper which Captain Holroyd was reading, does not appear; but Sir Charles Metcalfe states in the passage above quoted, that " the deed was at Hyderabad about September last," which was September, 1822. From this fact there seems no doubt that Lieutenant Barnett had made the communication of what he had seen, while Mr. Sotheby was still first assistant at Hyderabad. After this account, I appeal to your Honourable Court, whether Lieutenant Barnett, who was second assistant to the Resident, could have come forward to afford proof of a knowledge, so acquired, under any circumstances; but, especially, when it is considered, that if that information was to be used against Mr. Sotheby, it would deprive him of a situation, to which Lieutenant Barnett stood next in succession. It is true that Lieutenant Barnett was not entitled as matter of course, to the succession, but your Honourable Court will observe, in the correspondence, regarding Colonel O'Brien's appointment to that situation, that Sir Charles Metcalfe had determined, that no person should succeed Mr. Sotheby, but Lieutenant Barnett; and he did succeed him.

Your Honourable Court is aware, that there were no circumstances connected with the situation of Mr. Currie, or Mr. George Rumbold, which could prevent the House from making the affidavit, in the form first proposed

by Lord Hastings; but there is a passage in a letter of Sir Charles Metcalfe's, which appears to have created an impression, that those gentlemen were partners in the House after the period when the affidavit distinctly gave the names of all the partners. Such an impression would be most unfounded in fact. Sir Charles Metcalfe says: "The partnership of Dr. Currie, in the "House, has never been a secret. He belonged to it, I am informed, certainly "from the time when the Firm assumed the denomination of Messrs. William "Palmer and Co., and probably from an earlier period. His interest in it, "I understand, ceased about January, 1820; but in an advertisement which "appeared some time ago in a Madras Newspaper, it was publicly an- "nounced, I am told, as having ceased in January, 1821, or 1822." Now the fact is, that Mr. Currie had retired in August, 1819, although his retirement was not announced at the time. Mr. George Rumbold, who had been a partner, died in June, 1820, and was therefore not mentioned; he was neither in the King's nor the Company's service, but had been placed by Mr. Russell, at my request, in the service of the Nizam, for which he received an allowance, similar to that received by other persons in his Highness's service. It was expressly with a view to such employment that he went to India. His entering the House was not then contemplated. He was not called upon after he did enter the House to join any of the Nizam's divisions; this, perhaps, was an act of kindness to me on the part of Rajah Chundoo Loll. If he had been so called upon, he would have obeyed of course. 268.

Your Honourable Court will observe, that there was nothing remarkable in the allowance to him, since every member of the Residency under Sir Charles Metcalfe, has now an allowance from the Nizam's Minister, procured by Sir Charles Metcalfe himself. Mr. William Palmer declined entering into further explanations, as to who the parties were at the Residency, whose participation in the concerns of the House were alluded to in the affidavit, which he considered calling upon him, "to answer questions involving a direct "violation of every principle of confidence and trust between man and man, "and inevitably leading to discredit and dishonour; no mercantile house "(he says) can acquire considerable dealings, but from the understood "sanctity of their pledge to preserve the confidence of their constituents, and "I humbly hope that Government will in its justice and liberality, forbear "upon consideration, to urge inquiries which we shall find impossible to "answer, but by the sacrifice of our character and integrity." 536, 537 358.

This opinion of Mr. William Palmer, related, distinctly, to the principle of expecting from mercantile men, a voluntary disclosure, for the purpose of criminating others. In reply to a set of queries upon the same subject, which were transmitted to Mr. W. Palmer, and which he was called upon to answer, he said, "I could not consistently with the maintenance of my "credit and integrity, betray any confidence to the injury of another, which "might have been reposed in me;" upon which Sir C. Metcalfe observes, "of what sort is that commercial establishment in which it would be "ignominious to name the partners?" Mr. W. Palmer does not state that he had been connected with any person whom it would be ignominious to name; he states, that facts of which he had acquired the knowledge in confidence, it would be ignominious in him to betray; and Sir C. Metcalfe confounds the distinction, between receiving, and betraying confidence. To deserve and maintain confidence, are the characteristics of an honourable mind; to betray it, only, is ignominious. On the 26th June, 1823, Sir C. Metcalfe wrote; "it is given out on the part of Messrs. W. Palmer and Co., that I was con- "sulted on the subject of the affidavit sworn to by Sir W. Rumbold and "Mr. W. Palmer." In order to show what was the conduct of the House which has been thus referred to, I must request the attention of your Honourable Court to the extracts from a letter which I wrote to Mr. Lamb, (who was then at Hyderabad,) on the 13th June, 1823, and to his statement of the use he made of that letter, the original of which is now in his possession. 543. 542. 583.

It is evident that my letter was in Sir C. Metcalfe's possession before the

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21st of June, for he forwarded to Mr. Swinton, on that day, copies of the papers which were contained in it. On the 26th of June, five days afterwards, Sir C. Metcalfe wrote the despatch from which the above extracts are taken. Your Honourable Court will judge how far that letter was warranted, after Mr. Lamb's interview with him.

"Madras, June 13th, 1823."

"My Dear Lamb,"

"I enclose the letters for the Resident; they are open for you to read and "wafer. The letter dated June 11th, might have run according to the form "which I copy below.

"'I must disclaim the intention of imposing upon the Government, "'or upon Lord Hastings, by that affidavit. It certainly was not in- "'tended as an imposition upon the Government, for we did not suppose "'it would become an official record; it was intended (in consequence "'of a private letter from Lord Hastings to me) to satisfy his Lordship's "'mind, that Mr. Russell was not a partner of the House. For this pur- "'pose, he desired me by a letter, dated in November, 1820, to send "'him an affidavit declaring that no public functionary was concerned
Sir C. Metcalfe. "'with us. Upon receiving this letter, I called upon the Resident, "'and told him, in confidence, what Lord Hastings had required, and "'that he had placed me in an awkward situation, for that the requisi- "'tion he had made, though it would clear Mr. Russell, could not be "'complied with; and that the attempt to evade it would impeach Mr. "'Sotheby, which I apprehended under the circumstances, his Lordship "'would not wish. I then confided to the Resident, the fact of Mr. "'Sotheby having participated in the profits of the House, though he did "'not act as a partner. I shewed the Resident *a declaration*, drawn out "'for the purpose of giving Lord Hastings the information he wanted, "'without involving Mr. Sotheby, and asked him if he thought it could be "'sworn to under the circumstances. I sent this paper to Lord Hastings, "'and told him, I hoped it would answer the purpose, and begged him to "'dispense with an affidavit, but said this could be sworn to if he still re- "'quired it. Lord Hastings did not reply to my letter, but some months "'afterwards wrote to me again, and said that the reports of Mr. Russell's "'partnership were so strong, that I must send him an affidavit, stating "'that no public functionary had been concerned with us. I replied that "'I could not make an affidavit in the terms required, but hoped the one "'enclosed would answer the purpose; the one which has been since "'produced, was then drawn up and sworn to.'

"As I said before, it would be highly improper for us, in my opinion, to "make these facts matters of official record, but I do think, that Sir C. Met- "calfe would be glad to save us from imputations he must feel we do not "deserve, and to assist poor Sotheby. He can do it by a demi-official "letter to the Secretary to Government, or Mr. Adam, if he will, and I have "confidence in his willingness to do so, if you request it. These facts "would prove 1st. that the affidavit was not made out at a time when Sir C. "Metcalfe was absent, for the purpose of swearing it before Mr. Sotheby.

"2ndly. That it was not made just at the time of entering into the loan, "for the purpose imputed to us by the Government.

"3rdly. That it was not volunteered by us at all; that we wished to "avoid making any affidavit, and that we swore at last to the only points "we could swear to.

"4thly. That so far from wishing to impose upon Lord Hastings, there "was an implied admission in the affidavit that one of the Public Function-

" aries was concerned in the House at one time; for our twice refusing to " comply with the form required, while we did make an oath in another form, " was evidence of this, to say nothing of my private letters, that accompa- " nied the declaration and the affidavit.

" 5thly. That we were firmly convinced, that the object of enquiry, re- " lated to Mr. Russell only, and to no one else.

" 6thly. That we did not think there was any great impropriety in " Sotheby's connection with us.

" I shall write to you again before we sail, we talk of Sunday, but I " do not think we can get off so soon.

(Signed) " W. RUMBOLD."

" To G. Lamb, Esq."

The following is Mr. Lamb's statement, of what passed between him and Sir C. Metcalfe, on the subject of the foregoing letter.

" When I received the letter, of which the above is a copy, I sent the two " letters therein mentioned (which are the letters from Sir William Rumbold, " of the 10th and 11th June, 1823, given in page 580—1 and 2 of Hyderabad " Papers, to, Sir Charles Metcalfe,) and it appears they were forwarded by " him with his letter of the 21st June. I waited on Sir Charles Metcalfe the " following morning, with the letter, of which the above is a copy, and gave " it to him to read; Sir Charles Metcalfe read the letter in my presence, ap- " parently with much attention; after which he asked me what I wished him " to do on the occasion. I replied, that I wished him to bring these circum- " stances to the notice of the Government, as I thought they would prove of " material service to Mr. Sotheby, and I felt assured that he would be happy " to assist Mr. S. in his difficulties, which I had often heard him say, was an " object he had very much at heart. On this he offered to forward the letter " itself to the Supreme Government. I left the letter with him, at his re- " quest, that he might take a copy of it, for the above purpose, and took " leave of him with the impression that he concurred in the accuracy of the " statement which the letter contained.

" The letter was returned to me the same evening, marked with pencil, as " in the above.

(Signed) " G. LAMB.

" 13, Bury-street, St. James's."

Your Honourable Court now sees what my letter was, and what use Sir Charles Metcalfe undertook to make of it. What use he did make of it, you will see by his own despatch, at page 583 of the printed papers. My letter was communicated to Sir Charles Metcalfe, certainly not later than the 21st of June. On the 26th of the same month, he wrote to Mr. Swinton, that he found it was " given out on the part of Messrs. W. Palmer and Co. that he " was consulted on the subject of *the affidavit*." Your Honourable Court will observe, that the Paper stated by me to have been shewn to Sir Charles Metcalfe, was not *the affidavit*, but Mr. Palmer's *declaration*. Sir Charles Metcalfe states that I had " persuaded myself, or would persuade others, that I " had made a confidential communication to him of Mr. Sotheby's former " connexion with the house; but that his recollection did not enable him to " support that supposition." What communication I had made to Sir Charles Metcalfe on that subject, I distinctly stated in my letter, which was put into his hands, and when he read that letter, he made no question of the accuracy of my statement. In his concluding paragraph, Sir Charles Metcalfe speaks of " *a private* attempt to bolster up the *affidavit*, by pretending that he was

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" previously consulted regarding it;" upon this your Honourable Court will observe; first, that the attempt was not *private,* inasmuch as the communication was made to Sir Charles Metcalfe himself, with a request that he would convey it to Government; and secondly, that my letter related not to the *affidavit,* but to the *declaration,* two instruments totally separate and distinct from one another. *The declaration* of Mr. Palmer was forwarded to
737. Lord Hastings on the 22d of December, 1820; and the *affidavit* was not
737. made until six months afterwards. It was called for by Lord Hastings, in a
735. letter dated June 10th, 1821; it was prepared immediately on the receipt of that letter, and was forwarded on the 26th. of the same month. There is, therefore, no possible ground for the allegation, that Mr. W. Palmer and I, chose the time of making the affidavit, on account of Sir Charles Metcalfe's absence from Hyderabad—I beg to refer to my previous statement on this subject in the printed papers.

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V.—I now proceed to the subject of the allowances received by Mr. W. Palmer and his family. The chief grounds of objection to these allowances, are to be found in the letter from Mr. Swinton to Sir Charles Metcalfe, of the 13th Sept. 1822; in which he says, speaking of the Minister's accounts, " among " them is a large monthly allowance to W. Palmer and Mr. Hastings Palmer, " two members of the firm of W. Palmer and Co., and stipends to the children " of the former. These payments to persons who must be presumed to be un- " connected with the Government and service of the Nizam, strike the Go- " vernor-General in Council as of a very singular nature, more especially " with reference to the situation of the two Messrs. Palmer, and the large " pecuniary dealings which, as Members of the House of W. Palmer and
188. " Co. they have with the Minister."

Mr. W. Palmer has distinctly explained, in reply to this, that he was in the service of the Nizam, and had been so, at that time, twenty-three years; that the greater part of those allowances were granted many years before he contemplated the formation of a house at Hyderabad; that they were granted chiefly by the predecessors in office of Rajah Chundoo Loll, previous to whose administration he had been in the receipt of much larger sums in the Nizam's service, including his personal allowances, and the benefit of his contract. This fact is corroborated by Rajah Chundoo Loll in this sentence: —" Respecting Mr. W. Palmer, it is said that I gave him a bribe, in the " shape of a monthly allowance, thereby causing loss to the Government. " The above-named gentleman did not enter the service during my admi- " nistration—he was entertained in the time of Colonel Kirkpatrick, the late " Nizam, and Aristoojah,* and received for the pay of himself and troop, a " monthly sum of nearly 13,000 rupees, until the time of Meer Allum, and I " reduced the allowance to himself and followers to one half—*lately when in- " junctions were received from the Supreme Government for his discharge,* they
863. " were instantly attended to, and all dealings with him ceased."

In a despatch of Sir Charles Metcalfe's, he enumerates many persons, whom he states to have been in the employment of Messrs. W. Palmer and Co., and receiving at the same time salaries from the Nizam's Government. Some of those persons were in truth followers of Mr. W. Palmer; they had been formerly attached to his corps, and if he was instrumental in procuring for them a recognition of their past services, by pensions from the Government, such an act on his part, can only be attributed to motives which do him honour. That he should have employed those men, afterwards, in his own concerns, who had conducted themselves faithfully in the Nizam's service, under his orders, is a proof of their former good conduct, and that they merited their pensions, and it ought not to have been, as it has proved, the cause of injury to them. Further explanations upon this subject, will be found in the following passages of
277. Mr. W. Palmer's statement.

* The Minister who died in 1804. He is frequently called by one of his other titles " Azim-Ool Omrah."

". I was promoted seventeen years ago by Meer Allum, the then Minister,
" to the command of 540 horse, on a contract for near 30,000 rupees per
" month, and perhaps I was the only subject of this Government who did 277.
" keep up his cavalry complete; notwithstanding this, my gains on this con-
" tract were near 7,000 rupees per month. I never contemplated the
" formation of a house at that time, and could have no influence but that which
" my conduct and character gave me. There never was a movement of the
" Nizam's troops for many years, without my being sent with them, until the
" formation of the regular brigades; and during that time I was the person
" constantly fixed upon, between the Resident and Minister, for confidential
" services.

" During the campaign against Scindia and the Rajah of Berar, I was ap- 278.
" pointed by Colonel Stevenson to act as his Brigade Major with the Nizam's
" troops. My employment was not limited to the duties of this station, but
" I was often employed in communications between that officer and Rajah
" Mohiput Ram, who commanded the Nizam's army.

" When the Nizam's troops were defeated by Mohiput Ram, Colonel 278.
" Montresser, who went after him, took me as his interpreter, and gave me
" charge of the intelligence department, and I continued to correspond with
" the Resident at his request.

" My allowances are certainly large, but they are not more than those of 279.
" other Sirdars, who have never rendered the same services to this Govern-
" ment. My children must look exclusively to this Government for their
" future welfare, and I have always considered that they were entitled to
" reap the benefit of my former services, in the same manner that the chil-
" dren of other Sirdars and dependants of this Government are provided
" for by it."

The following passages are taken from a letter of Messrs. W. Palmer and Co.:

" On the termination of the war, Mr. Palmer was appointed, under the 835.
" same administration, to the charge of the newly-ceded districts of Jalna
" and Gandapore.

" He was, a short time after the war, recalled to Hyderabad, retaining his 836.
" districts and his command; and his allowances were increased, under the
" same administration, to 1,000 rupees per month, besides a per centage on
" the collections of the districts.

" On the death of Azim-Ool Omrah, his Highness the Nizam directed the 836.
" daily attendance of Mr. Palmer at his Court.

" On the accession of Meer Allum to the administration, the Nizam di- 836.
" rected that a body of cavalry should be raised, and attached to him per-
" sonally; Mr. Palmer was selected for the situation, and held a lucrative
" contract for 240 troopers, and horses.

" Under the same administration, he was successively appointed to the 836.
" further command of a body of two hundred, and then of one hundred
" native horse upon advantageous contracts, viz. fifty rupees per man and
" horse, and his personal allowance was raised to two thousand rupees per
" month.

" During the ministry of Rajah Chundoo Loll, on the disbandment of the 837.
" horse which he commanded, (the contracts for which had given him
" a net benefit of six thousand rupees a month or more) Mr. Palmer continued
" to receive his personal salary of two thousand rupees per month, which was

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" paid to him for the period of about one year prior to the formation of a " house of business.

837. " Subsequent to the establishment of the House, he was ordered to quell a " mutiny in Major Gordon's Battalion: and when the Company's troops were " ordered out on this service under General Conran, he was put in command of the Nizam's horse; he was required by General Conran, from his " local knowledge of the position occupied by the mutineers in a choultry, " to act as guide, which necessarily placed him in an advanced and prominent " situation. He was honoured on this occasion by the public approbation " of the Right Honourable the Governor General Lord Minto.

837. " Mr. Palmer was employed to preside at the court martial held over the " mutineers, of which Captain Beckett, who commanded the Russell Brigade, " having Company's officers under him, was a member. The Court passed " capital sentence upon several of the mutineers. Mr. Palmer begs to call " the attention of the Government to the peculiarity of the circumstance, " that had he considered himself subject to any other authority but that of " the Nizam's Government, he would not have exposed himself to the danger " of being held amenable for his conduct, which had been proceeded upon " without a proper warrant.

837. " He considered himself, from his original position in the service, at a time " when there was not any interference on the part of the Company's Government, in either the military or civil arrangements of this State, as bound to " it alone, and to it alone did he look up for his promotion and benefits, and " regarded them as a testimony of his reputation.

838. " Mr Palmer has shewn, that his best possessions and commands were " held by him under the Minister, Rajah Chundoo Loll's predecessor in office, " and that his rise in the service was progressive.

838. " Mr. Palmer cannot presume to contend against the opinions entertained " by the Right Honourable the Governor General in Council; but he hopes " that it will be admitted, that a change of relations alone between the Governments, which he could not foresee, extended to his individual case, " which had long subsisted without comment, has subjected him to his " present unhappy condition; and he humbly hopes that Government, in its " universally acknowledged liberality, will save him from the misery of a " measure affecting him, by a retrospective operation."

On the 8th of July, 1823, Messrs. W. Palmer and Co. were officially informed by the Resident, that the allowances of Mr. W. Palmer, his children, and Mr. Hastings Palmer, were, by orders from the Governor-General, to be discontinued; although those allowances were, in fact, pensions granted for his long services, were precisely of the nature of half-pay, and were given according to the most habitual usages of the country.

Sir Charles Metcalfe, in commenting upon Mr. William Palmer's statements, does not deny his assertion, that he had been twenty-three years in the military service of the Nizam; but he says, " In which period he includes " the time (ten or twelve years, or more), during which he has been in business without any command in any corps, and of course not actually in service. By this mode of calculating, he is at present in the Nizam's military
267. " service, and his claims on this account are increasing."

" I cannot subscribe to Mr. William Palmer's notion, that he is on a footing " with the native Sirdars of the Nizam's Government, and that his children " are entitled to a provision from this Government in like manner as the children of other Sirdars." Again, " The advantages which he has derived " from the Nizam's Government have, from first to last, proceeded princi-
267. " pally from British influence, patronage, and connections."

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In the 15th article of the treaty with the Nizam in 1800, he is expressly declared to be absolute with respect to his own servants.

See Treaty in the Papers published by the Court.

I believe that military servants in England, and in all other countries, receive allowances from their Government, when they are not in actual service, and that their rank, their claims, and their allowances do increase during that period. British naval officers, during times of peace, have been permitted to enter into mercantile speculations, and to engage in the merchant service, without prejudice to their rank, or allowances, or future claims, and without incurring any blame, or forfeiting their title to the consideration which their professional rank may bestow.

Even admitting that Mr. William Palmer did derive many of the advantages which he has enjoyed, from British patronage, as unquestionably he did, still that does not destroy his assertion that he had been, and was, on a footing with native Sirdars, many of whom are in the same situation. His children, like himself, are natives, and he is on the same footing that native Sirdars are, as to his means of providing for them hereafter. Surely, it will not be contended, that while Mr. Palmer, according to the notions which prevail in English society, is deprived by his birth, of many of those advantages, enjoyed by persons born of full European blood, he is also to be deprived of the advantages which are open to him in the native society of India. By the regulations of the Company, he is not eligible to a commission in the English army; and why, therefore, is he to be denied the lawful and recognised benefits which attend a commission in the Nizam's army?

Your Honourable Court is aware, that under Mahometan Governments in India, the sovereign is heir to the personal property of his subjects, on a principle similar to that which prevailed during the feudal times in Europe. I do not believe that this right is rigorously enforced at Hyderabad; to a certain extent it is; and it is therefore an object with all servants of that Government, to bequeath to their children, part of the benefits of their own services, by obtaining pensions for them.

Mr. Palmer's accuracy, when he says, "My children must look exclusively to this Government for their future welfare," is fully demonstrated by the situation in which he and his brother, Mr. Hastings Palmer, are now placed by the orders of your Government. Their allowances have been taken from them by its interference, and the House has been made to refund the amount of them for many years back. By the same authority, the Firm has been driven to bankruptcy; its credit has been destroyed; its private property sacrificed, to contribute towards the liquidation of the partnership debts; and they themselves, as well as very many of their creditors, are left without any means of procuring a subsistence, unless your Honourable Court shall interfere to avert such extensive ruin. Mr. Palmer's account of himself, is adopted by the creditors of the House, in the following words, addressed by him to them, in consequence of their proposal to allow him 500 rupees per mensem, after the failure of the House: "Several individuals having come "forward to make me an offer for my maintenance, and circumstances having "disposed me to accept of the offer of a member of my family, I beg, for "myself, to decline, for the present, becoming a burden on the funds in "trust. I return my acknowledgments to the creditors for their liberality in "this instance, and in their proceedings throughout. My resort shall be "made to them on a future day, with the utmost confidence on their kind-"ness, which I cannot mistake, from the conduct which has already been "adopted towards us, should my necessities render such a proceeding "necessary."

See Copy of the Resolutions of the Creditors, in the Appendix.

POLITICAL INFLUENCE OF THE HOUSE.

VI.—On the supposed political influence of the House, a great deal is said in the course of Sir C. Metcalfe's correspondence. This is assumed to be objectionable both in its nature and effects, and, in a letter to the House, dated April 13, 1824, Sir C. Metcalfe writes, "the influence of the British

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" Government having long operated through your exercise of it, to the in-
" jury of the Nizam's affairs, the British Government has found it necessary
" to desist from lending itself longer to a continuance of the same im-
" propriety."

Sir C. Metcalfe appears to have argued, as if the existence of this overwhelming influence and power had been proved, and I have endeavoured to find out what facts have been advanced by him to substantiate its existence.

That a commercial establishment, employing a large capital, and possessing character and credit, must, from these circumstances, enjoy influence in any country, is too self-evident to have escaped Sir. C. Metcalfe's observation, and will be acknowledged by all persons, who examine the circumstances which have given to Great Britain the importance she possesses all over the world. That such a House should possess its due proportion of weight, in a country where the credit of the Government had been almost exclusively supported by its means, is equally manifest.

Sir C. Metcalfe must have supposed Messrs. W. Palmer and Co. to possess an influence far beyond that which their capital, or character, or the public confidence could create, when he talked of their influence as a matter of astonishment or condemnation. Your Honourable Court will not, I presume, expect that I should notice the various rumours and reports, which Sir C. Metcalfe says he had heard touching the opinions entertained by the natives, of the power or influence of the Firm, or of the individual members of it. Whether these opinions did, or did not exist, would be immaterial in a political point of view, unless it could be supposed, that their existence enabled the House to do things which were, in themselves, objectionable.

The proof of facts would, therefore, seem under any circumstances, to be requisite, even to establish the existence of an improper influence. The only asserted facts, which I can trace in the whole correspondence, as giving a shadow of support to such an allegation, are contained in paragraph 6, (page 171) paragraphs 72, 74, 75, (page 244) and paragraphs 89, 90 (page 246.)

To the subject matter of these paragraphs allusion is made in various places, but they contain the only facts appealed to, as proving the exercise of undue influence. The first of these paragraphs asserts, that " the discon-
" tinuance of assignments to Messrs. W. Palmer and Co. in Berar, will be
" one of the advantages of the termination of the late arrangement for the
" payment of the troops. The influence, which they derive from these assign-
" ments throughout a great extent of territory, cannot salutarily be intrusted
" to individuals, engaged in a pursuit, which has their own gain for its ex-
" clusive object." The obvious inference from this would be, that the assignments gave to the House some degree of authority over the territories alluded to.

Your Honourable Court must be perfectly aware of the nature of a " Tunka," (or assignment), and that it gives no such right or power to the holder. It is nothing more than a bill, drawn by the Minister, upon the collector of a district, and is of no value unless accepted by him. The collector, by his acceptance, does not make himself personally responsible for more than the amount of Revenue he may acknowledge to have collected, during the period for which the bill is granted; but he ought not to consent to the abstraction of those funds, by other orders from the Minister; an evil which, nevertheless, is of frequent occurrence. The party holding the Tunka, is dependant upon the collector's good faith for this, and has no power to examine or enquire what his actual collections may have been. In the letter from Sir C. Metcalfe, then Secretary to Government, to the Resident at Hyderabad, he distinctly states, that the fact of holding assignments is not

understood to give any authority in the districts on the collectors of which they are granted; and, alluding to the advances made by the House at Aurungabad to the troops, upon Tunkas granted by the Minister, he says, "the "Governor General in Council does not propose to take cognizance "of that arrangement, further, than to prevent any interference on the "part of that House, or of any native agents, belonging to that "establishment in the collection of the revenues, or in, any other branch of "the management, of the districts, assigned, under the agreement of the "parties; for which purpose you are directed, if it be ever necessary, to in-". terpose your influence and authority:" to which Mr. Russell replied: "No "agents have ever been employed on the part of that establishment, either "in the collection of the revenues, or in the discharge of any other duties "connected with the management of the districts on which Tunkas have "been granted by the Minister; nor should I, under any circumstances, "have admitted of the exercise of any such interference, without the express "authority of the Government." The stipulations by the Firm in the first 34.
two articles of their "Wajib ool Urz," or, "terms of agreement" with the
Minister, shew that they were not to have any authority in the districts. 41.
"*First.*—Let a Tunka be granted by the Government for the annual sum of "sixteen lacs of rupees, until the principal and interest shall have been dis-"charged; and let no other Tunkas whatever be issued on the districts, on "which the Tunkas to the House are to be granted, except for Sibendies, "and the necessary charges of the district. *Second,* "Let the Resident "be consulted in the appointment of the Aumil of the district, on which the "Tunka of the House may be granted: let no removal or changes be made in "the concerns of the district without the Resident's knowledge. Do not "let the Tunka be transferred without the concurrence of the House, "and let no departure take place from the engagement, which has been "made with us by the Government." The stipulation, in the first article, that there might be no other Tunkas granted on the district in question, shews, that the one granted to the House did not invest it with any power over them. The object of that condition, was to prevent the Minister from abstracting the revenues, by drawing any other bills on the collectors. Regarding the condition, in the second article, Mr. Russell says: "The Minister's agreement to consult the Resident on the appoint- 38.
"ment or removal of Talookdars, is very important as a general principle, "independently of the application to the particular case, which forms the "subject of the accompanying correspondence. There is perhaps no one "instance, in which the influence of the Resident can be more beneficially "exerted, than in procuring the appointment of respectable men to the "management of the country, and preventing their removal, when they "have brought their districts into so flourishing a condition, as either to "tempt the Government to raise their rents, or encourage other persons to "make higher offers for their appointments."

These extracts clearly shew, 1st, that the assignments did not, in themselves, give the Firm any power in the districts; and 2dly, that had they, under pretext of the assignments, assumed any authority, they would have been acting in open defiance of the orders of the Governor General in Council, penned by Sir Charles Metcalfe himself. If they had committed such an offence, can it be doubted that he would have been sufficiently ready to charge them with it? and yet he has not attempted to do so in a single instance.

It appears, moreover, that Messrs. W. Palmer and Co. did not appoint, and had not any voice in the appointment of the collectors, upon whom Tunkas were granted, since it was made an express stipulation of the contract, in the above instance, that the Resident should be consulted by the Minister, on the appointment of the "Aumil," or "Government Officer." If they had possessed any voice in the appointments, they would not, surely, have made an express condition, that the nomination should be transferred from themselves to the Resident.

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Upon this subject, Sir Charles Metcalfe, says,—" I believe that in this " respect, they exercised formerly a more direct influence than now. I " have understood that, heretofore, they were more in the habit of " recommending the nomination of the Officers of Government in the ". provinces.. I do not know that they exercise this privilege at present;
245. " it has not at least forced itself on my notice." And Mr. Russell has denied that they had any such power during his Residency. When could they have exercised this power? It appears by the declaration of both, that they neither did, under Sir Charles Metcalfe, nor under his predecessor. The person, upon whom the assignments for the repayment of the loan were given, was Rae Naneck Ram. He was the person first proposed by the
No. III. at page 40. Minister, in his letter to the House, and was a relation and friend of his own. He had, I have always understood, been for many years before that, the collector of very extensive districts. I believe some addition was made to those districts at that time, with a view to their being equivalent to the amount for which Tunkas were to be granted upon him. This, therefore, must have been the person to whom Sir C. Metcalfe alludes in the following words ; " a blood relation of the Minister had charge of rich districts, in " which he committed great extortion. He had been nominated, it was " said, at the recommendation of Messrs. W. Palmer and Co. and, on his " nomination, had been presented to the late Resident; I have been told, by " Sir W. Rumbold. They had large assignments on his districts, and were " supposed to be intimately connected with him ; at length he was removed " on account of his extortions. I had repeatedly recommended the measure, " but it did not take place till it was understood that he had quarrelled with " Messrs. W. Palmer and Co. I had always supposed that the Minister was " partial to this man on account of the relationship, but he now disavows any " partiality, reprobates his extortions, says that he was his enemy, and " alleges, as his only reason for formerly heaping favours on him, and entrust- " ing to him the charge of extensive districts, that this relation had made " interest with Sir W. Rumbold to turn him (Chundoo Loll) out, and get " himself made Minister in his room, and was very near succeeding, and
234 " that therefore it was necessary to conciliate him."

Of this person, I must say, that I never was acquainted with him, till after the period when he was proposed to the House by the Minister, as the person upon whom Tunkas for fifteen lacs per annum were to be granted ; and that it was perfectly immaterial to the Firm, whether he, or any other man of equally acknowledged respectability had been selected. He is mentioned, in a despatch of Mr. Russell's, as having lately been appointed to the districts of Moodhul, Binala, and Bysa, and as having been previously
56. Talookdar of Maiduck and Balconda. I believe he had been for many years in charge of the latter, which were among the most valuable districts. Mr. Russell appears by that letter to have thought well of him, and that the extension of his charge was judicious.

The facts of my having presented him to Mr. Russell are these :— It was the practice of the Resident to abstain from any direct intercourse with the inferior officers of the Nizam's Government, in order to avoid exciting jealousy in the Minister. Mr. Russell had received intelligence of a body of banditti, by whom an extensive tract of country between Hyderabad and Nagpoor was infested, and, respecting whom, Rae Naneck Ram was likely to be able to afford useful information. Secrecy was indispensable, both in the planning and execution of Mr. Russell's purpose. He wished, therefore, to avoid exciting notice ; by the unusual circumstance, of his receiving a visit from a person in Rae Naneck Ram's situation ; and desired me to bring him to him, and to give out that I did so, on the plea of his districts being those, on which the assignments of the House were granted. Mr. Russell procured from him the information he required : an expedition was dispatched the same night, and was completely successful in its object, the leaders of the banditti being surprised and brought prisoners to Hyderabad.

Captain Jones, by whom the expedition was commanded, and who, I believe, was accompanied by a guide furnished by Rae Naneck Ram, is now in England, and can attest the accuracy of this statement.

As to the charge of his having committed extortions, the Firm cannot be implicated in it. They had not the power to interfere, in any way, in his districts, nor had they any means of knowing what his conduct in them might have been; for they had not a single servant employed in his or any other district in the Nizam's country. Before any blame can attach to the Firm for his conduct, it must first be admitted, that they ought to have exercised an influence in the country, from which they were excluded by an express prohibition. The latter part of the paragraph is preposterous, and scarcely requires a comment. If Sir Charles Metcalfe had really believed what he asserts to have been told him by the Minister, he surely would no longer have talked of the collusion between the Minister and the House. But Sir C. Metcalfe could not have believed it; he must have known that the Minister's relationship to Rae Naneck Ram, was the manifest and avowed reason of his employing him, and that he had been in charge of extensive districts, before the establishment of the House.

The charge, in paragraph 72, appears a serious one; and though I may regret being called upon to answer it, with materials necessarily imperfect, yet I know that it is groundless. "They send their badged chuprassees "about the country with as much effect as Government officers. I have "known one of their servants, of this description, employed in levying on a "whole village the amount of a debt not originally due to them, which the "right owner had no hope of obtaining, and had therefore transferred to "them, or had engaged them to realize on terms agreed on between them; "the chuprassee levying something additional for his own profit, and the "village submitting to all, as if he had been the collector on the part of "the Government." No village is named, as the scene of this exaction, no date is given, nor does it appear that Sir C. Metcalfe had any communication with the Firm on the subject. The charge, therefore, has been sent to 244.
the Bengal Government, and from thence to your Honourable Court, and is now given to the public, without any opportunity having been afforded to the parties to repel it, and all this, in consequence of a representation of Sir C. Metcalfe, who dwells with so much emphasis upon the impropriety of clandestine communications. In answer to this charge, I can assert that the conduct imputed was in direct opposition to the uniform demeanour of the Firm, who were scrupulously attentive to avoid the possibility of any imputation upon them for exercising the most trivial authority in the Nizam's country. It appears, by Mr. Russell's letter to your Honourable Court, that they never did exercise any authority, during his Residency and it seems most improbable that they should have begun such a system, under Sir C. Metcalfe, knowing how readily he would turn it against them. It is not likely that Messrs. W. Palmer and Co. should have resorted to acts of oppression, for the paltry consideration of obtaining a pitiful sum from the inhabitants of a native village, when they do not appear, in any instance, to have adopted such means for the recovery of their just and extensive claims. That some Chuprassee in the employment of Messrs. W. Palmer and Co. may have conducted himself ill in a native village, is very possible, but he must have done so, if at all, without their authority or privity. It is equally possible, that some man may have called himself a Chuprassee of theirs, and have robbed a village under that pretext; in either case it would have been just of Sir C. Metcalfe, to allow them an opportunity of vindicating themselves, and of bringing him to justice. A Chuprassee is a person of no consequence; he is a menial servant, upon small wages; his principal employment is that of a foot messenger; any decent man may take service in that capacity, and would be called a Chuprassee, from his wearing a small brass badge or "Chuprass," upon his belt, with the name of his employer engraved upon it. Nothing, therefore, is more easy than to assume the character; but I am confident Messrs. W. Palmer and Co. never dared to direct, or were inclined

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to countenance, an act of oppression, either through their Chuprassees, or any other servant in their employ.

The next charge, is that contained in paragraph 74. "I have heard of two of their chuprassees being stationed about the person of one "of the first nobles of this state, for his protection against all demands but "their own: and of the employment, by that very Noble, of one of those "chuprassees, to exact payment of a demand from one of his own "relations, who would not yield it to less power than that of Messrs.
244. "W. Palmer and Co."

Here, as in the former instance, Sir C. Metcalfe has omitted names and dates; and has held no communication upon the subject with the Firm; but he evidently alludes to the exercise of a power, which custom has established as legal, in all the Native States of India. Although it is alluded to here as reprehensible, I do not imagine that it can be considered so, even in England, with reference to the power granted here, by law, to creditors, over the person of their debtors. Any person who has resided in the provinces of India, not subject to the British Courts of Judicature, must know that the above paragraph, relates to a custom called "Dhurna." This is, in fact, the only method a creditor has of enforcing settlement of a demand from his debtor, in those parts of India where there is no appeal to courts of justice. It is equally resorted to by the powerful and the weak, and established usage induces all persons to submit to the practice. The creditor goes himself, or sends his servants to the House of the debtor, there to remain, till the latter agrees to some settlement of the claims. This is a species of arrest of a man in his own house, and is certainly less severe than the practice, sanctioned by English Law, for the recovery of debts. It is in fact a mere perseverance in importunity; no violence is used, nor is there any arrest or removal, either of person or property.

The creditor, who first resorts to this measure, has a right to prevent other claims from being satisfied before his. There is a particular account of this custom, in Mr. Elphinstone's Report upon the State of the Peishwa's country, which was printed in 1819, or 1820; and in "Broughton's Account of a Mahratta Camp," published in 1811, or 1812, he describes Scindeah, himself, as submitting to it, in the middle of his Camp, and surrounded by his soldiers.

The next circumstance, adduced by Sir Charles Metcalfe, as a proof of the unnatural influence of the House, is contained in paragraph 75 of the same letter. "I have seen the Jagheers of one of the first nobles of the "state, seized and sequestered as they still remain, for the payment of his "debt to them. I see no impropriety in this, but it would not have been
244. "done for any other merchants in the land." That the case to which Sir Charles Metcalfe alluded, was not one deserving censure, appears by the following paragraph, which follows it in his letter. "I do not mean to "accuse Messrs. William Palmer and Co. of making an unfair use of their "power; they may exercise it perhaps with great moderation; but it is a "power which does not properly belong to merchants, and ought not to be "entrusted to persons, who have only their own interests to regard."

But I may ask why, if Sir Charles Metcalfe had no such intention, did he introduce this subject at all? The Jagheer, to which he alludes, must have been that of Shah Yar ool Moolk. He had related the circumstance in a despatch of the 5th July, 1822, in these words: "The Jagheer of Na-"wab Shah Yar ool Moolk was attached a short time ago by Rajah Chun-"doo Loll, for the benefit of Messrs. Wm. Palmer and Co. It is now, I "understand, released or about to be released, upon some compromise or
172. "arrangement for their satisfaction." The debt of Shar Yar ool Moolk, having been a subject of correspondence, between Sir Charles Metcalfe and the Firm, at a later period, it is alluded to, particularly, in other parts of this

letter, and it forms the subject of part of the Memorial of Mr W. Palmer, which I have already submitted to your Honourable Court. I shall, therefore, merely state here, that Shah Yar ool Moolk was involved in pecuniary difficulties, to such an extent, as to threaten him with the loss of all his Jagheers; that, in this embarrassment, he applied to the Firm for assistance, and that they with the consent of the Minister, who was guarantee in the transaction, did lend him eight lacs of rupees, upon a rate of interest, moderate, beyond all precedent, at Hyderabad. By the terms of the contract, he was to pay annually to the House, a certain portion of his revenue, by which the principal and interest of the debt would be discharged in four years. He failed in his payments, and the Minister, in conformity to his engagement, and with the consent of Shar.Yar ool Moolk and of Messrs. Palmer and Co., appointed Umeen ool Moolk, a friend of the former, to the temporary charge of a portion of the Jagheers, under an engagement to pay to the Firm, the annual amount agreed upon. This is, I presume, the circumstance alluded to; if this was an act of oppression, or a proof of unnatural influence, of what character are the acts of creditors in England, who hold mortgages upon estates, which they are compelled to foreclose, or recover judgments, without any real security, and take possession under an elegit?

I venture to hope that your Honourable Court is now satisfied, that none of the above instances can be considered as shewing the possession by the Firm of any objectionable influence. The circumstance, therefore, to which Sir Charles Metcalfe really alludes, at all times when he talks of this influence, must be the one referred to in paragraphs 89 and 90 of his letter. "There are even symptoms occasionally of Messrs. W. Palmer and Co.'s pre-"suming on the possession of the influence ascribed to them. Sir W. Rumbold "once let fall, above a year ago, either designedly or incautiously, not how-"ever, in my hearing, that if I would not agree to any measure for their ac-"commodation, they must come to issue with me. How Messrs. W. Palmer "and Co. were to come to issue, with the Representative of the British "Government, when they were pursuing their own interests, and he was "protecting those of the public, I did not at first comprehend; but the me-"nace is now intelligible. *The transmission of complaints against me, on the "part of the Nizam's Minister*, is a full explanation of that text.

"I understand from good authority, that Mr. W. Palmer in forwarding "the Minister's letters, pretended he did so as a subject of the Nizam's "Government, bound to attend to its wishes. This plea was disingen-"uous, and might be termed ungrateful, as throwing off, for an unworthy "purpose, the sovereignty of the British Government, to which he owes "every thing. Is it as a son of General Palmer, the distinguished servant "of the Honourable Company, or as the brother of Mr. John Palmer, the "eminent British merchant, or as the partner of Sir W. Rumbold, that Mr. "W. Palmer pretends to be a subject of the Nizam? Is it because he re-"sides and carries on his concerns under the protection of the British Resi-"dency, and the British flag, that he affects to be bound to aid *the Nizam's "Minister in an attack on the British Representative, with a view to shake off "British interference?* If Mr. W. Palmer were, in any real sense, a subject "of the Nizam's Government, *his thumbs would have been brought to the screws "before now, to extract some of that wealth*, which, owing to British blood, "British education, British connections, and British influence, he has drawn "in such copious streams from the Nizam's country." 246.

What Sir Charles Metcalfe, in this very calm and dignified statement, calls "the transmission of complaints against him on the part of the Nizam's "Minister," and aiding "the Nizam's Minister in an attack on the British "Representative, with a view to shake off British interference," was simply the transmission of a packet to the Governor-General's Secretary, by Mr. W. Palmer, for the purpose of being delivered to his Lordship. The history of the packet is as follows:

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In the end of May, 1822, Rajah Chundoo Loll, during the absence of Sir Charles Metcalfe, who was on a tour in the country, addressed a letter to Lieut. Barnett, his first assistant. The date of that note does not appear, but the enclosure contained in it, which had come from the country to Hy-
174. derabad, bears date the 18th May, 1822. The letter to Lieut. Barnett,
177. recites the causes which had produced the distress, then existing in the Nizam's country: details the circumstances which led to the pecuniary engagements with Messrs. W. Palmer and Co., and contains a proposal for the reduction of his debt to them. It goes on to remark on the measure, pursued by Sir Charles Metcalfe, in the internal details of the Nizam's Government, which superseded his authority in the country, and concludes by requesting, that these representations, might be laid before the Governor-General in Council. This request is thus worded, in the translation which
177. appears in the Hyderabad papers. "What more need I write: I am "quite powerless: it rests with the Resident to decide the matter. "If *you* will be so obliging as to write all this to the *Sudder*, and "lend me the benefit of *your* assistance, it will be an excessive "favour; I have not made the above statement for my own benefit, "but my sense of duty towards His Highness the Nizam, has impelled "me to draw it up. *Pray make known all this to the Resident.*" There are one or two obscurities in this passage, as it is translated, upon which I am induced to comment, because it is essential that they should be removed, in order to prove that neither Mr. W. Palmer, nor any Member of the Firm, was acting clandestinely in the transmission of the Minister's letter to Lord Hastings. The word "*Sudder*" is not translated in this place, but in the first part of the letter "*Sudder*" is said to mean "*Presidency,*" and at page 270, in the ninth line, are these words, "*Presidency* (*i. e.*) *the Governor-General in Council.*" In point of fact, Sudder, I believe, always does mean the place of chief authority. Your Honourable Court will observe, therefore, that Rajah Chundoo Loll, had expressly requested that his note to Lieut. Barnett might be communicated to the Governor-General in Council. The words "*you*" and "*your*" should have been translated "*he*" and "*his:*" this is evident from the context. The error might easily occur, because, in the courtesy of the Persian idiom, the third person plural, is used both in addressing a person, and in talking of a person, and the Persian words, for "*he*" and "*his,*" would be, literally, "*they*" and "*their*" and might therefore be translated: "*you*" and "*your.*" But the error is obvious, because the Minister knew, that Lieut. Barnett did not correspond with the Governor-General in Council, and that Sir Charles Metcalfe did; and, at the end of the paragraph, he requests Lieut. Barnett to do that, which fell within the line of his duty, namely, to communicate his note to the Resident. At page 804, a similar sentence occurs, in a note to Lieut. Barnett, which the Minister wished to have conveyed to the Governor-General in Council. "I beg that you will submit this letter to the "Resident, who, as it is an answer to the Orders of the Supreme Govern-"ment, will, I hope, forward a copy of it to the 'Presidency.'" In this sentence the same course is followed. The Minister writes to Lieut. Barnett, desiring that he will communicate his letter to Sir Charles Metcalfe, and, that Sir Charles Metcalfe will send it to the Governor-General in Council.

The above letter was received by Lieutenant Barnett, a few days before
239. Sir C. Metcalfe's return to Hyderabad, from a tour: Lieut. Barnett met him in the neighbourhood of Hyderabad, and communicated his having received this letter; Sir C. Metcalfe directed him to report upon it, and his
254. report is dated the 4th June. There is a commentary upon this in a letter
255. (dated the 5th June) from Mr. Bushby, (Extra-Assistant,) to Lieut. Barnett, written under Sir C. Metcalfe's instructions; both parties living at that time under the same roof with Sir C. Metcalfe. The letter contains remarks at length on some parts of the report, and Lieut. Barnett is directed to have a conference with the Minister, and to discuss the contents of his note in

the spirit of the preceding observations. In the letter from Mr. Bushby, there is a singular want of coincidence, with reference to the numerical order of the paragraphs in Lieut. Barnett's report. One paragraph, of the original report, appears to have been omitted in copying, and must have related to the concluding sentence of the Minister's note, which, although it forms so important a feature of the communication, is the only part which is not noticed. By that omission, the numerical order of the paragraphs appears to have been totally changed. Seventeen days after receiving the above instructions, Lieut. Barnett reported, in a letter dated 22d June, 1821, that he had had a conference with the Minister, as directed, and that the Minister had expressed himself convinced by the arguments which were made use of. Subsequently to this conference, Rajah Chundoo Loll addressed a second note to Lieut. Barnett, in which he refers to what passed at their conference, and, so far from it appearing, that he had been convinced by the arguments, which Lieut. Barnett had then made use of, he reiterates his dissatisfaction at the system of interference which was pursued, brings forward additional instances of usurpation of his authority, by the English gentlemen, under Sir C. Metcalfe's orders in the districts, and adduces additional arguments, to prove its impropriety. He says, that it had destroyed his authority in the country, and produced confusion in the Government. Finding his representations disregarded by Sir C. Metcalfe, Rajah Chundoo Loll, in the end of July, sent a message to Mr. William Palmer, desiring that he would meet him at his house in the country, as he wished to speak with him in private. Mr. Palmer went there, unaccompanied, and saw the Minister's Son, who informed him, that his Father had submitted to the Resident written and ineffectual remonstrances, against his usurpation of authority in the Nizam's country; which he had requested might be laid before the Governor General in Council, and that he had not received any answer, though the evils he complained of still continued. He, therefore, requested Mr. William Palmer, to forward copies of the above representations to the Governor General. Mr. Palmer objected to being made the channel of this communication, but the Minister, subsequently, sent him a packet, addressed to Mr. Mc Nabb, Secretary to the Governor General. The packet appears to have contained a note to Mr. Mc Nabb, with an enclosure for the Governor General, and copies of his two notes to Lieut. Barnett.

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177 and 178.

341.
173.
Ibid.
174.
177.

The packet was forwarded to Calcutta, at the positive requisition of the Minister, who assumed the right to call upon Mr. W. Palmer so to do, in consequence of his being an acknowledged servant of the Nizam's Government. He chose to exercise the right, because he found, that his application to the Resident to forward his letter, had not been attended to.

That packet, and every thing connected with it, has been a theme of severe and repeated animadversion; the transmission was viewed by Sir C. Metcalfe, as an offence never to be expiated, and it filled his mind with a spirit of hostility, which is visible in every letter he thenceforward wrote, concerning the House, till the dissolution of the establishment. Of this hostility, the ruin of the Firm, of its Members, and their Constituents, was the effect. The circumstances connected with an act, that has proved the source of so much evil, demand particular explanation from me; they may be classed under several heads.

The *relation* in which Mr. W. Palmer individually stood with respect to the Government of the Nizam, has been made a matter of controversy. The propriety of denominating him "a servant" of that Government, has been repeatedly and vehemently denied by Sir C. Metcalfe; but no assertion, how intemperate soever, and however reiterated, can affect the truth of his having been a servant in point of fact, and been so considered by the Minister, by himself, and by others. That Mr. W. Palmer was, generally and popularly, considered, in English society as an officer in the Nizam's

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army, is proved by the fact, of his being called "Major Palmer," more frequently than Mr. Palmer: even the Governor General in Council, adopts the style of, "an old servant of the Nizam's," to designate him; and afterwards, in a Minute, denominates him a "pensioned servant of the Nizam." As such he was receiving remuneration for past services, and was liable to be called upon again. He was, in fact, called upon, and obeyed, long after he was engaged in the Banking House at Hyderabad. He commanded a body of the Nizam's horse in quelling a mutiny in 1812; he presided at a Court Martial, which sentenced four offenders to death, and he conducted the delicate, and difficult negotiation, which finally settled the discontents. For his conduct in this service, he received a communication, through the Resident, conveying to him the thanks of the Governor General in Council. Consequently, his relation with that Government, was not open to the imputation, cast on it, of being merely "a pretence," which would denote a fictitious relation, or a relation recently devised; it was a true and substantial relation of twenty-five years standing, entitling him to considerable allowances Those very allowances have, indeed, been reprobated by Sir C. Metcalfe, in the prosecution of his resentment, against every partner of the House. The existence of them, which it was beyond his power to contest, was, however, indubitable evidence of the contested relationship. They fully constituted Mr. W. Palmer, who is a native of India, and the Son of a native lady, an officer on the military half-pay of the Nizam's Government, and, accordingly, bound to some sort of subordination to it; just as British gentlemen, living in Portugal and in Russia, having acquired naval and military half-pay from those Governments, were and are, in some sense, subject to them, and, in some degree, as our own officers on half-pay, are held, in practice at least, though not in strict law, obliged to obey whenever called upon by our Government. Sir C. Metcalfe does not hesitate to give to English officers, employed under his own orders, the self same denomination which he denies to Mr. W. Palmer, who had acquired it by such long service. These are his words, "I have received a report from Lieut. Clarke,

Mr W. Palmer's Memorial, page 113, and Appendix to ditto, page 35.

154. "another valuable officer of the Nizam's service;" and again he mentions, with commendation, "Major Seyer, Captain Sutherland, and Captain Clarke, "of the Nizam's service."

That Mr. W. Palmer did not volunteer, that on the contrary, he objected to be the channel, for the conveyance of the packet in question, has been
341. declared under his hand, and corroborated by the testimony of his partners. The personal declaration of the Nizam's Minister, that it was himself who
222. pressed it upon Mr. Palmer, has been recorded by the Resident; and, notwithstanding the doubts he has chosen to cast upon the veracity of both declarations, the Governor General in Council was pleased to pronounce them entitled to belief, nor has any thing occurred since, that can impeach their correctness.

The transmission of the packet has been called, a "clandestine com-"munication," "a disguised proceeding," and peculiar blame has been imputed to it on that account.

Had the commission of forwarding the packet, been undertaken as part of a dark intrigue, the House would have acted with secrecy; but in this instance no mystery was resorted to, no precautions for preserving secrecy were used. This is plain from Sir C. Metcalfe's own account, for it appears
221. that he knew of the transmission immediately. Sir C. Metcalfe's own despatches, and the language he represents himself as using to the Minister, are surely sufficient to prove, that without any intrigue, or, as he calls it, plot, the Minister might have discerned his hostility towards him; yet to disclose this to the Minister, he says, was the very object of the plot. The idea of mystery, or concealment, being used in sending a packet to the Governor General which, as soon as it arrived, was to be communicated by him to the Council, is too ridiculous for serious refutation.

This charge however has been made, and with studied vagueness; because it afforded Sir C. Metcalfe a wider range of declamation against the House. The inconsistency of his story is obvious, and it refutes itself.

At first, he thinks proper to appear surprised and in agitation about the transmission of this packet; "intelligence of a very extraordinary "nature" (on this subject) causes him to conclude a despatch abruptly on the 31st of August. Sir C. Metcalfe's next despatch, the 3d of September, 220.
entirely on this subject, calls it "an extraordinary proceeding," he says, "that, at the very time, when he (the Minister) employed Messrs. W. Palmer "and Co. to convey a clandestine communication to the Presidency, he "used to tell me that he did not yield to any of my assistants in a cordial "desire to fulfil my wishes." The Minister's two notes to Lieut. Barnett 221.
had been written before that time; and Sir C. Metcalfe, in another place, says they had "multitudinous fellows." A few weeks after, however, Sir C. Metcalfe states himself, to have first heard of the circumstance with very different feelings; for, in a despatch of the 30th of September, he represents himself as receiving the first information of it, with unconcern, saying, that when he heard of it, "he was not in the least degree sur-"prised;" and coolly draws his inculpatory conclusions from it, as from a 242
thing he knew to be in progress. In this despatch he says, that when he heard of the first note to Lieut. Barnett, he should have reported it to the Governor General, "had it not been, that I must at the same time have "communicated my suspicions as to its origin." He says, "hundreds of 241.
"these informal notes on all subjects, trivial and important, had passed "between the Minister and the Residency;" and in the same paragraph, that this note was a "singular production." At one time he calls it, "a "bold attempt" of the House; at another, "an unexampled audacity of "proceeding;" terms not in unison with those of concealment and disguise. One of the Members of the Council at Calcutta has called the transaction "an undisguised coming forward" of the House against the Resident; and thus the conduct of the Firm, in this matter, has undergone two opposite, contradictory, arraignments, from two different quarters, and been represented, by the same person, as an unexpected alarming affair, and as a foreseen contingency, exciting no surprise at all, except for its audacity.

With too much reason, may the Firm retort, the charge of clandestine communications upon Sir C. Metcalfe, whose injurious statements, and insinuations still more mischievous, were not intended to be seen or heard of by them. He was unremitting, as it now appears, in preferring charges against them, which he did not call upon them to answer at the time, and on the spot; of which, being unfounded in fact, they could have no idea; and of which they were never apprized, until their appearance, long after, in a volume of papers printed in England. In this, it seems, Sir C. Metcalfe could see no real concealment, no secret representation.

It is asserted, that there was a combination between the Nizam's Minister and the Firm, in preparing the documents contained in the packet, with intent to their subsequent use or transmission; their knowledge of a part of those documents has been represented as a criminal privity and participation in the Minister's designs; and the whole is blended into a plot, hostile to the Resident and his proceedings, "a conspiracy to procure his 221, par. 7.
"removal," and even to get rid of English influence altogether.

The Minister had prepared an application on two important subjects, in order to its being referred to the Governor General in Council, by the Resident, to whom it was submitted with that request. He had every right to make such reference, and it is certain that he wished, and expected to have it made; as he could not, in reason, suppose, that his special request for the purpose, from which it appears he never really receded, would be disregarded. It is wholly out of the question to suppose that he could

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have planned, from the first, what afterwards happened; contrary to his special request, his decided wish, and his natural expectation.

239. "The *predestined* use to be made of that paper," was one of those posterior fancies of Sir C. Metcalfe, which he shaped into an allegation, for the purpose of attacking the House and to which, common sense may safely be opposed. The fate of that paper was wholly in his hands. If he had done with it, that which his duty seems to have prescribed, and for the neglect of which he has not been able to assign a sufficient reason; if he had applied it to the purpose, for which it was originally intended; he would have precluded Mr. W. Palmer from being concerned in its transmission, and himself, from "the subsequent use to which" he has applied it. In a letter to the Firm, dated the 9th of April, 1824, he says, in terms scarcely to be misunderstood, that it has been the main instrument for bringing destruction upon them: "you also," he says, "are alone responsible to "your constituents for departing from your commercial character, and "entering into political intrigues for the purpose of thwarting the measures "in progress for the reform of the administration of the Nizam's country. "You alone are responsible for any consequences that may have been "brought on by that conduct." And this appears in his letter of December, 1822—"Whenever it suits their purpose, Messrs. W. Palmer and Co. "write very glibly on the delicacy of commercial credit. Where was this "sensitiveness when they erected themselves into a political faction, in "hostility to the British Representative? If, what they say, regarding the "effect on their credit of discussions, be true, how rashly they have acted "for themselves, how dishonestly towards their constituents, when they
347. "engaged in intrigues against the Resident."

Now as to their knowledge of the packet's contents, what the House did
341 know, they readily avowed, and they explicitly disavowed knowing more. Sir C. Metcalfe has forced inculpatory allegations both from the avowal, and from the disavowal; but incorrectly from each.

He says, that the House pretended to be wholly ignorant of the contents of the packet, and of the object of the Rajah's representation. This they did not pretend; for they declared they understood that his representation related, in a great degree, to financial affairs, in which they were interested; they even specified, that they understood his packet to contain a copy of the notes to Lieutenant Barnett, and that the contents of the first note to him, had been communicated to them. He attacks them for a real knowledge, and a feigned ignorance, of the complaints set forth against him personally, by the Minister. Their ignorance of this was not feigned; it was real. They disclaimed all previous knowledge of it at the time, and they now disclaim it anew. This part of the contents of the packet was not imparted to them.

That the knowledge they really possessed, and confessed, in this matter, partook of the character ascribed to it by Sir C. Metcalfe, they absolutely deny. The extensive pecuniary dealings of the Firm with the Nizam's Government, necessarily gave occasion to frequent intercoure between them and the Minister. On the 17th of March, 1821, Sir C. Metcalfe wrote, "To preclude the Nizam's Government from dealings with the first com-"mercial establishment in his dominions, may be injurious, but cannot be "advantageous to his affairs." Sir C. Metcalfe's sentiments about the transmission of the letter, converted that intercourse into a political intrigue. The House were under large advances to the Nizam's Government for the purposes of the State, and for their reimbursement, they held Tunkas on the Collectors. These Tunkas not being punctually discharged, they were frequently exposed to very great inconvenience. They remonstrated with the Minister on the failure of his engagements; he stated in explanation and excuse, that the failures happened from defalcations. caused entirely by English interferene in the revenue arrangements, of

which he complained much, declaring his desire to take some measure to remedy the evil. This induced Messrs. W. Palmer and Co. to recommend to him unreserved communication with the Resident, as they had invariably done, whenever an opportunity arose. In what part of that proceeding, was there any impropriety? Was the holding of assignments in the country unwarrantable? They were held by virtue of fair and approved claims, for the repayment of large advances of money, from which great public benefit had been derived, and the Supreme Government was aware that they held them. Can remonstrance with the Minister on the failure of the stipulated payments, be so considered? Can the listening to his explanation of the cause of failure, be so considered? Can the advice which they offered him of unreserved communication with the Resident, on this or any other occasion, be so considered? The whole of their conduct in these respects would appear to be treacherous and unjustifiable according to Sir C. Metcalfe. From his sweeping accusations it might be supposed, that instead of using a simple remonstrance, on the non-payment of specific pecuniary claims, conformably to agreement, they had been intermeddling in the political relations of the State, the employment of its force, and the administration of its law.

If the bankers in Europe, were to hold Government Securities of any sort, for liquidation of public claims, of which payment could not be obtained at the proper offices, their interview with the Treasury, touching such matters, would not incur the suspicion of a political intrigue. The same incident at Hyderabad, (for the communications of the House of Messrs. W. Palmer and Co. now in question with the Minister there, amounted to no more) has been designated as a dark political intrigue. Sir C. Metcalfe styles it, "secret and confidential communications with the "Nizam's Minister of a political nature and relating to the affairs of both "Governments, which were withheld from the Representative of the British "Government." He further says, that they had been the Minister's counsellors, as to the measures to be adopted, for getting rid of English interference in the affairs of the Nizam's Government. These positions too, he pretends to rest upon statements in their own letter to him. But if they may be allowed to know their own meaning in inditing that letter, or, if 341.
its expressions are to stand in their plain natural sense, that letter supports no such positions: it subverts them. The communications alluded to, could not, from their nature, be considered "secret and confidential;" nor can it be said, with any propriety, that they were "withheld from the Representa-"tive of the British Government," in as much as every particular of them, the Minister's pecuniary transactions with the House,—his financial proposition connected with them,—his objection to English interference in the revenue arrangements, and its vexatious consequences, had all been duly brought under the Resident's official cognizance; had been pressed upon his attention in various ways; and had been made subjects of discussion between him and the Minister. His mediation was expressly requested in matters, which he would here represent as improperly concealed from him. The phrase of "relating to both Governments," appears to carry great importance, and wears the semblance, though it has not the substance, of inculpation.

That the House counselled measures, to be adopted for getting rid of English interference, is in opposition, not only to the evidence of facts, but to the plainest dictates of common sense. In recommending to the Minister the course they did, (*unreserved communication with the Resident*,) their conduct was just the reverse, in fact it was in opposition to the counsel imputed to them. What the grievances were, stands on record: they are fully known. Measures suggested by the Firm to redress them, are no where mentioned, save only this consultation, recommended with the Resident.

The Minister's objections to the interference of the British Resident, in

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opposition to treaties, and, (as it now appears) in opposition to the orders of the Governor General in Council, in the revenue arrangements of the Country; and, especially when those arrangements had been recently completed by the Minister himself, Sir C. Metcalfe turns into an intended general proscription, on the Minister's part, of English interference in the affairs of the State; a project for excluding all English connection and influence whatever; to which project, he alleges, that the House were parties. Now this imputation, is as far from probability, as any imputation can well be; for it is evident from the whole volume of Hyderabad papers, and the fact is notorious, that both the Minister and the Firm were dependent upon British protection—the Minister for his continuance in office—the Firm, for the security of their pecuniary transactions with the Nizam's Government, and the consequent stability of their Establishment. It was under the promise of that protection, that the House ventured to engage in any such transactions, and the support being withdrawn, their immediate ruin ensued. To accuse them of plotting to exclude all British interference in the affairs of the Country, was to represent them as, wittingly and insanely, endeavouring to become the artificers of their own ruin. But Sir C. Metcalfe, when he wrote this, knew their situation too well, to believe it one moment himself; for he had long before said, in a passage, introduced to accuse the Minister of being totally devoid of honesty, and indisposed to listen to any claims which he could avoid, "it is fortunate for Messrs. William Palmer "and Co., that they are secured by the virtual guarantee of British in-
232. "fluence." The vital importance of British countenance to the realization of their claims on the Hyderabad Government, and the effect which the value of that countenance must have on their conduct, was fully understood,
45, 46, 49, 50. and clearly expressed, by the Governor General, and two of the Members of Council, according to the dictates of common sense. But, in Sir C. Metcalfe's censure of the House, he has overlooked the most obvious contradictions, and has not even regarded the coherence of his imputations, with his own different statements, at different times.

What I have hitherto submitted to your Honourable Court, upon the subject of the packet, has been with reference to that part of it with which the Firm were acquainted; but great criminality is attached to them, on account of the portion of it with which they were, in truth, unacquainted. As to their ignorance regarding that portion of it, Rajah Chundoo Loll's testimony is, as usual, ultimately brought forward as good, and valid *evidence against* them. I must appeal against this account of his evidence, seeing, that it is in contradiction to his prior testimony, recorded, explicitly, by Sir C. Metcalfe. In the first account, too, given by Sir C. Metcalfe, of the Minister's declaration upon that subject, he is represented as overwhelmed with shame and confusion at the Resident's displeasure, and in a mood which was most likely to have elicited the truth. In the last account, any acknowledgments he might have made, were more likely to have been the result of complacency, dictated by a desire to reinstate himself with Sir C. Metcalfe. But throughout the correspondence, the Minister's parole evidence is described as valid, when it can be made to wear an appearance unfavourable to the House; *but his written evidence, in favour of the House, is always represented as invalid.*

Admitting the belief, however, that the House had had a greater share in the preparation of these papers, than the evidence, or even, probability, would warrant; since they are, according to Sir C. Metcalfe, so deeply implicated in this affair, they may be permitted to bring them under examination. After a careful perusal, of the whole of the packet, which was forwarded to Lord Hastings, as now printed, I can find but two grounds of remonstrance resorted to by the Minister. The one, that Sir C. Metcalfe did not give him his confidence or support, but seemed hostile to him—the other, that the interference of the Resident was carried to an extent, which was objectionable, because, it was not (as he said) warranted by treaty, and because, it had been the consequence of certain concessions of his, without

the consent and approbation of the Nizam. Regarding the first of these grounds, it could not furnish matter of complaint against the Resident, unless, he had had instructions from the Governor General, to give to the Minister that confidence and support, which, the Minister said, was denied to him. Now, it appears *that the Resident did not know*, on the thirty-first of August, which was long after the transmission of the packet, *that he had received any such instructions;* and it would be unjust to expect, that the House should have had better information on that subject, than Sir C. Metcalfe himself had. It is true, that it appears by the correspondence, that Sir C. Metcalfe did, on the 5th of September, *discover very positive orders from the Governor General, penned by himself,* for giving the support and countenance of the British Government to Rajah Chundoo Loll; but this discovery, cannot alter the view of the conduct of Mr. W. Palmer, before that time. If, therefore, the Firm had knowingly forwarded, a remonstrance from the Minister to the Governor General, on that subject, they could not be accused of transmitting a complaint against the Resident.

The second ground, taken by Rajah Chundoo Loll, related to an interference that was notorious at Hyderabad, and was publicly exercised by the Resident. Could any Member of the House have supposed that such interference was unauthorized; or that Sir C. Metcalfe would be indignant that the knowledge of what he did officially, should reach the ears of the Governor General? If the packet *had contained any unworthy imputations against the conduct of Sir C. Metcalfe; any impeachment of his character, or integrity; or any allegations, regarding which the Minister had not held communication with him; or had it been a letter secretly to prejudice the mind of the Governor General,* and not to be used openly or officially, and for the information of Sir C. Metcalfe himself, then, indeed, he would have reason to complain of the conduct of Mr. W. Palmer, for having been the channel of such a communication. But, as the packet contained no such matters, I submit that the conduct of any of the Members of the Firm did not justify the resentment of Sir C. Metcalfe, and that they cannot be accused, under any circumstances, of having knowingly transmitted complaints against him. The Minister is, however, accused of inconsistency and treachery in this matter, and the House of having been his counsellors. To rebut even the semblance of grounds for such a charge against the House, I hope I may be permitted to examine the justice of this charge against the Minister. Sir C. Metcalfe, in excuse for non-compliance with the Minister's request, that he would refer to the Governor General in Council the subject of English interference, in the revenue arrangements of the Country, has stated, that the remonstrance thereon had been satisfactorily answered, and the solicitation for the reference abandoned with so much facility, that it ceased to have an existence. But after all that has been advanced to impugn the Minister's consistency in the affair, he does not appear to have acted with any inconsistency whatever: none is apparent in any of the published pieces of his writing.

The task of reporting the purport of his first note, ("the principal of 335 par. 2
"those documents," as Sir C. Metcalfe observes,) was consigned to Lieutenant Barnett, the Resident's first assistant, and in his Report, the Minister's solicitation that the subject might be referred to the Governor General in Council is omitted. This cannot fail to strike your Honourable Court as a most remarkable omission. A translation must have exhibited the whole contents of the note, but a report, which throughout the whole of the papers appears to have been resorted to in this single instance only, might omit some parts, and give others; and accordingly your Honourable Court will observe, that in Lieutenant Barnett's report, this most essential feature of the Minister's note is omitted.

The Resident describes himself to have been satisfied, in the first instance, with Lieut. Barnett's report of the substance of the Minister's representation; he appears neither to have read it through in the original, nor or-

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dered a translation of it, although it had been mentioned to him by his Assistant in a manner indicating it to be of importance; and it became so afterwards "in his own eyes," as (for a purpose unfavourable to the House) he confesses.

239, par. 39.
241, par. 56.

To that report of Lieut. Barnett, a written reply is issued, under the signature of Mr. Bushby, extra assistant of the Resident, by whose instructions therein conveyed, Lieut. Barnett is directed to oppose his arguments, to the remonstrances of the Minister, about the English interference complained of.

An interview takes place with the Minister, and Lieut. Barnett reports in writing the result, namely, that the Minister has professed himself convinced of the necessity of continuing the measures, but that "his dread is "for the future, lest others (Residents) may come with different views, and
256. "other feelings." Who does not perceive, that a concession in these terms, was in fact nothing more than Eastern courtesy, a well-known oriental form of speech, evading for the moment the further discussion of the point at issue, in order to avoid personal altercation? This must have been perfectly understood, and the Minister would undoubtedly presume that it was so, as
177. is demonstrated by his second note, written after the interview, alluding to it, remonstrating anew, and in stronger language, upon the effects of the "*double Government*," and clearly shewing that he still considered the question to be under discussion.

222. Therefore he had not "abandoned his request," nor considered "it had "been disposed of in the regular course of business;" and consequently there was not any thing "treacherous or disingenuous in his selection of those "two notes for the cognizance of the Governor-General;" nor is it at all made out that he was disingenuously asserting (when he did assert) to the "Governor-General and his Secretary, that he had received no answer." "Multitudinous fellows" to these notes are mentioned as having been received from the Minister, and if they had been, the notoriety of the Minister's objections to the system would have been the more evident. Lieut. Barnett's report does not seem to be peculiarly distinguished by its accuracy; and if any discrepancy appears between reports of what the Minister has said, and the Minister's own written declaration of his own wishes, your Honourable Court will probably be disposed to give the preference to the latter.

The first of these two notes was deemed of sufficient importance, to require a formal correspondence between persons living in the same house, (a course which does not seem to have been adopted on other occasions,) while, according to the Resident's form of office, no written answer to the Minister himself on either, or both notes was given. He says, indeed, that the Minister "had received answers," but those answers are no where to be seen, and his system of office appears to have been expounded, in order to account for none having been sent.

The unimportance of the notes is maintained as a reason for disregarding them: their importance is admitted when that may tend to inculpate Messrs. W. Palmer and Co. Upon the whole, it does not appear that the Minister acted inconsistently, or treacherously, or that he made any appeal to the Governor-General without previously resorting to Sir C. Metcalfe, and duly apprizing him of his wish to appeal through him. The indignation of Sir C. Metcalfe against the Minister, and the Firm, would lead, therefore, to a belief that there were some parts of Sir C. Metcalfe's proceedings, in the exercise of his functions, as resident at Hyderabad, which he had not thought fit to expose to the full view of the Supreme Government, and which he was extremely unwilling should come to their knowledge abruptly. Their having been so brought to the knowledge of Government, appears to have called for explanations wounding to his pride, and to have produced resentment

against those who were incidentally instrumental to the disclosure. Until then he had manifested no disposition inimical to the House of W. Palmer and Co. In some instances, indeed, he had rather shewn himself favourable.

POLITICAL INFLUENCE OF THE HOUSE.

That Sir C. Metcalfe's assumption of power in the Nizam's Territory, violated his instructions, and exceeded the bounds of propriety, may now be submitted to your Honourable Court, without indecorum, since it is public and declared, and has been commented on by persons high in office, both in India and in England. In one of his despatches, he tells the Governor-General in Council, "We leave untouched the forms and course of the "Native Administration;" and yet, notwithstanding this, he subverted the whole revenue administration of the country, the officers of revenue being, according to his own expression, "officers of every thing," and thereby threw the Nizam's Government (according to the Minister's statement) into very serious perplexity and difficulty. It would seem as if the outcry against Messrs. W. Palmer and Co. had been raised, to withdraw the attention of Government from this point, and direct it against them. With the nature of the instructions, under which Sir C. Metcalfe acted, they were, unfortunately not so well acquainted as they have since become. They saw that "his "extreme and arbitrary interference" (as it has been termed) was distressing to the Nizam's Minister; and they suffered from it themselves very seriously. But it was not for them to know how far the Resident's powers from the Supreme Government extended, nor how far he had reported his operations, and was sanctioned in them. The Minister, in pressing remonstrances against them, supposed them to be carried on under special authority; and that his remonstrances, therefore, did not imply any impeachment of the Resident; and Mr. W. Palmer was equally unconscious of transmitting any such impeachment. If it proved to be so in fact, or in imagination, it was not the fault of the Minister, nor of the House. The letter complaining of the Resident's want of cordiality towards him was distinct, and different from the notes to Lieut. Barnett. With the former, Messrs. W. Palmer and Co. were in no way concerned, not knowing its contents. Your Honourable Court will observe, that from the period of that transaction, Sir C. Metcalfe makes his reports against them on hearsays, on surmises, on conjectures, on presumptions; and these never once hinted to the party. Your Honourable Court cannot fail to remark the incongruous mixture of reiterated abjurations of personal ill-will to the House, with vehement accusations against the parties, individually as well as collectively, and an asperity and virulence incompatible with any degree of candour, and indicating the most hostile feeling. "The atmosphere is tainted by their corrupt and unnatural influence—"they are traders in pursuit of gain by means of their own contriving, "fair or foul, according to their own judgment, whether straight or crooked; "those Gentlemen, whose conduct merits pains and penalties, are chuckling "and triumphing at the success of their impositions." These are specimens of the language with which he has not scrupled to fill his despatches. Can such language come from a dispassionate judge? And yet, for the purpose of making his charge the more fatal, he assumes that character. On the statements of an accuser, acting under such impressions and such feelings, have the House of Messrs. W. Palmer and Co., unheard in their defence, been declared, by the Council of Calcutta, to have been the authors of a conspiracy which never existed, but in the imagination of their accuser, whose influence with the Supreme Government, having become paramount in all that related to them, every accusation which, in any shape, he chose to make against them, was received, implicitly, as valid, upon the faith reposed in his accuracy; while, on the other hand, he, according to the growth of his ascendancy, proceeded from suspicions and insinuations with which he had commenced, to accusations the most unmeasured. One portion of these I have now set in its true light, and upon it I await with confidence the final decision of your Honourable Court. I trust it will be seen that the Firm, instead of conspiring against the Resident at Hyderabad, have, in truth, become themselves the victims of a conspiracy.

3d April, 1823, page 495, par. 3.

POLITICAL INFLUENCE OF THE HOUSE.

The irritation of Sir C. Metcalfe towards the Firm, is betrayed in the following note, which he wrote to Mr. Lamb, the day after he stated that he had heard a report, of the Minister's letter having reached Calcutta. At that time, he does not appear, by his correspondence, to have known officially the contents of the letter.

Residency, 1st Sept. 1822.

My dear Lamb,

I beg of you, as a friend to all the parties, to do me the favour to intimate at your leisure and convenience, to Sir W. Rumbold and Mr. W. Palmer, that I must decline the honour of any further association or acquaintance with them of a private nature—their own consciousness will render unnecessary any explanation of my motives in this resolution, which I have reason to believe cannot be disagreeable to them. I adopt this mode as the least objectionable that suggests itself, of making such a communication. In any intercourse which may be requisite in my official capacity, they will always receive the attention which my duty prescribes.

Your's ever,

(Signed) C. T. METCALFE.

G. Lamb, Esq.

It is impossible to entertain any doubt, that the incident, referred to in this note, constituted the real offence of Messrs. W. Palmer and Co. in Sir C. Metcalfe's eyes, and that if Mr. W. Palmer had not forwarded the Minister's letter, Sir C. Metcalfe never could have discovered those features in their transactions, which he afterwards contrived to represent and exaggerate in a manner which led to their ruin.

EFFECT OF THE TRANSACTIONS OF THE HOUSE.

VII.—Having replied to Sir C. Metcalfe's allegations respecting the influence asserted by him to have been possessed by Messrs. W. Palmer and Co. at Hyderabad, and the mode in which he describes that influence to have been exerted, I shall now proceed, as the subjects are in some degree connected, to consider a passage in Sir C. Metcalfe's despatch to Mr. Swinton, dated the 16th of December, 1822, in which he refers to "the expediency of "continuing or terminating that connexion between the Nizam's Minister and "Messrs. W. Palmer and Co., which seems hitherto to have operated so "injuriously, and ruinously for his Highness's finances, and so discreditably "for the British name and character." For the sake of distinctness, I shall examine the effect of the transactions of Messrs. W. Palmer and Co.; first, on the finances of the Nizam; secondly, on the name and character of the British Government; and, thirdly, on the commercial intercourse between the two countries.

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AS TO THE NIZAM'S FINANCES.

First. The real effect produced by the transactions of Messrs. W. Palmer and Co. upon the finances of the Nizam's Government, will be most correctly ascertained by a comparison between their condition, before the Firm was established, and after the dealings of the Firm had reached their greatest extent. The former condition of the Nizam's finances, is exhibited in the reports of the various Residents, who preceded Sir Charles Metcalfe at Hyderabad: and your Honourable Court has shewn, that from the year 1807-8 to the years 1811-12, the disbursements of the Nizam's Government, annually, exceeded the receipts. The amount of deficit, during those five years, is stated at 37,50,455 rupees, and Mr. Russell, in 1814, computed the Nizam's public debt at about 50 lacs. During a considerable part of the period, between the year 1814, when that calculation was made, and the year 1822, the Nizam's country suffered much from the incursions of Pindarics, was engaged in expensive wars, and was the theatre of the operations of a considerable part of the Company's troops.

80.

The Nizam's disbursements, having exceeded his revenue, up to the year 1812; it is obvious that a period of extensive military preparations, during

which large bodies of regular troops were organized, and subsequently maintained in active operations, was not that to which one could look for diminution of expenditure; or reduction of debts. The Minister says, the expence of the brigade of regular infantry and cavalry, at Hyderabad, had amounted to 50 lacs: the debt due in 1812 was also running on at interest. If that be computed at 24 per cent., the lowest rate that had ever existed in the Nizam's country, the original debt of 50 lacs would have amounted in 1822, at the expiration of ten years, to upwards of 150 lacs; and the Minister might be expected to have added to that debt, by the expence of his military operations. In September, 1822, it appears from Sir C. Metcalfe's letter, that the Nizam's old and new debts, including the payments by the House for the Troops, were less than the amount of the former debt with interest; that he owed, altogether, about 129 lacs, and that he had a surplus revenue of upwards of 14 lacs. From this statement, it would seem, that the transactions of the Nizam's Government with Messrs. W. Palmer and Co. generally; while they had tended mainly to promote the stability of his Highness's power, and to enable him to render effectual military assistance to the British Government, far from being injurious, had been absolutely beneficial to his finances.

175.

228.

With regard to the effect produced on the Nizam's finances, by the particular measure of the loan, Sir Charles Metcalfe, himself, may be taken as an unexceptionable witness; for his testimony, here, is in favour of the Firm:— "The Government," says he, "was, undoubtedly, relieved from much "pecuniary embarrassment by the loan, and was enabled to pay off large "arrears, which had accumulated in several branches of expenditure;" and again, "nevertheless there is no doubt that the loan was most convenient "to the Nizam's government at the time, and especially to the Minister himself "personally, and by enabling him to struggle through temporary difficulties "and embarrassments, it may probably prove the means of greatly assisting "the restoration of prosperity in the country." In a despatch to Mr. Swinton, dated October 16, 1822, Sir C. Metcalfe then writes; "the "Minister estimates his reductions of expenditure at 41 lacs, including all "that have taken place, whether before the loan, or at the time of the loan, "or since the loan; whether by suppression of Jagheerdars, and resumption "of Jagheers, from just or extortious motives, or by the actual reduction "of troops, or by any other cause; how much of the sum mentioned is real "reduction, is not in my power to say. He challenges investigation, but even "if any object were proposed for entering minutely into detail, such inves- "tigation would, most probably, prove vexatious, fruitless, and without "end. Neither his general habits, nor the particulars of the statement "which he furnishes, are calculated to inspire confidence as to its veracity, "and I acknowledge that I distrust it."

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"I must also remark that the Minister has omitted to notice any increase "in his establishment that has occurred, during the period in which these "reported reductions may have taken place. On the whole I hope that a "considerable portion of these reductions may be real, but I cannot ven- "ture to fix the amount."

263.

In Rajah Chundoo Loll's letters, to which these paragraphs refer, the Minister says: "with respect to the reduction of interest, the cause is "this; that in consequence of taking the above-mentioned sum, (meaning, I "presume, the loan) reduction of expence and establishment has taken place "to the extent of 41 lacs, annually, from which the payment of the debt may "easily be accomplished."

269.

And in his note, No. 3, he says: "I enclose for inspection the particular "accounts of the expenditure of that sum, in people retained and dis- "charged, and in advances to the cultivators in the provinces. If you have "any doubt as to the expenditure of that sum, every person is present to "whom it was paid. Make any enquiry that may be considered desirable

EFFECT OF THE TRANSACTIONS OF THE HOUSE, AS TO THE NIZAM'S FINANCES.

"either by yourself or by the Government; there is no hesitation on my "part. If it be asked how reductions of force, to the extent of 25 lacs per "annum could take place out of this sum; the fact is, that as I am always "extremely anxious to pay up the servants of Government regularly, "the arrears due to the people did not exceed five or six months. I, there-"fore, paid about 11 lacs, which was the amount due for their pay. Among "the people discharged were several Jagheerdars, who received their pay from "the Jagheers. If you have doubt as to the reduction of force, a particu-"lar account of it is enclosed. As many people are dissatisfied with me "on account of the reduction of force, and the resumption of Jagheers, "you have only to make the least enquiry, or give the least hint, and they "will of themselves instantly give you an account of the discharge of their "troops, and the resumption of their Jagheers: or let any investigation take "place to ascertain the discharge of people according to the enclosed
270. "statements, that may seem proper to yourself or at the Presidency."

Again, "at first I proposed reductions to the extent of 25 lacs per "annum; but since, as with a view to the prosperity of the country, large "reductions of the revenue have taken place in all the provinces, and leases "have been given to the cultivators; I have not remained satisfied with "the former reductions, but a second and a third time since your arrival, "have effected further reductions, making the whole to amount to 41 lacs "per annum; as you will particularly observe from the accounts before "mentioned."

271. In the same note the Minister gives, in detail, the names of the parties to whom money was paid, and the reductions in consequence.

The Minister's notes from which the above extracts are taken, appear to be conclusive as to the benefits he derived from the loan of 1820. The greater part of the volume of Hyderabad papers, is composed of a correspondence to prove the fictitious character of the loan; its total inutility to the Nizam's government, and the failure of those expectations, which had been held out, of improvements in the Nizam's country by its means. I submit that all the deductions which have been drawn by erroneous statements of accounts, by cavilling about dates, and by unfair and incorrect reasons to prove the Minister and the House unworthy of credit, would have fallen to the ground, had Sir Charles Metcalfe accepted the Minister's challenge, and gone into the investigation proposed by him. If the Minister did, actually effect the purposes, stated by him, by means of the loan, all the arguments to prove that it was a fiction would have been nugatory, and your Honorable Court would probably not have thought it necessary, to enter into the details of the terms of an arrangement, of which the benefits were so important to the Nizam, and to which the expense bore so inconsiderable a proportion.

If, on the other hand, the Minister's statement of reductions had been proved to be false, then the accusations against him upon that score, would have been proved to be correct: and there would have been some pretext for investigating the accounts of the House. But Sir Charles Metcalfe does not appear to have made the slightest attempt at the investigation, which he seems to have considered unimportant, and he dismissed the whole subject with saying, "he (the Minister) challenges investigation": but even if any object "were proposed for entering minutely into the detail, such an investigation
262. "would most probably prove vexatious, fruitless, and without end;" and to this he adds an acknowledgment, that he believes the statement to a considerable extent: "on the whole, I hope, that a considerable portion of these
Page 263, par. 11. "reductions may be real, but I cannot venture to fix the amount."

What, I may ask, could be Sir C. Metcalfe's motives for this conduct. He has shewn such indefatigable industry in all the rest of his correspondence, in collecting reports, examining and collating accounts, and searching after the most trivial grounds for destroying the credit of the Minister, and of the

House, that he could not be restrained by any wish, to avoid the trouble of such an investigation. His researches had even led him into the inquiry, where the cloth was bought, of which the partners of the House made their shirts; and to press the Minister for the particulars of his purchases, to the amount of 2,86,762 rupees. Yet he has not attempted to disprove the correctness of this important statement of the Minister, relating to the annual saving of 41 lacs. I appeal to your Honourable Court, whether it is possible to assign any cause for this, except that Sir Charles Metcalfe knew the account of the reduction to be correct, and therefore he would not institute the inquiry. Yet, in par. 8 of the same letter, he asks, "what becomes of the "pretended merit of the loan? What is the advantage to the Nizam's Government?"

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806. 181.

The Minister says, "among the people discharged were several Jagheer- "dars, who received their pay from their Jagheers." This was an important part of the advantages growing out of the advances made by the House. The Jagheers were held by the principal people of the state, upon condition of their keeping up certain military establishments: these could have been reduced without any payment by the Minister, but he could not have reduced the troops of the most powerful men in the state, unless he adopted the principle of general reductions; and for this purpose, it was necessary to discharge the arrears due, in money, to those parties, which were not paid by Jagheers. But this important part of the Minister's letter is treated, like the rest of it, with very little attention by Sir Charles Metcalfe.

270.

Sir Charles Metcalfe says, the Minister has no where shewn the appropriation of funds for repairs of Tanks, or advances to cultivators. In the statement referred to, the Minister only professed to account for rupees 38.68.0.71. which, he says, was the amount of cash immediately advanced at the time of the loan; but in consequence of the loan, the Tunkhas, which were to have been given for the old debt were released, and instead of that amount, the Minister had only to furnish Tunkhas for one third of 16 lacs, (during the last four months of that year,) on account of the loan; and, consequently, a portion of the funds which were thus released, were available to that purpose.

263.

559.

In Sir Charles Metcalfe's despatch to Mr. Swinton, dated 12th June, 1823, the following passage occurs: "The suppression of rebellion, and "complete establishment of the authority of government, have been in pro- "gress for several years. The capture of Nowah and other forts, and the "subjugation of the Naicks, together with other energetic measures during "the Residency of my predecessor, rescued a great portion of the country "from a state of open insubordination and defiance." In a subsequent part of the same despatch, Sir Charles Metcalfe says: "The power which the "Nizam's Government possesses, in a greater degree, I imagine, than native "states generally, of putting down rebellion, and maintaining good order "throughout its dominions, it owes entirely to the excellent force of cavalry, "infantry, and artillery, organized during the Residency of my predecessor." The Nizam's finances, unaided by the advances of Messrs. William Palmer and Co., would have been utterly incompetent to the support of these troops, which had rendered such essential service to the British Government, as well as the Nizam, and to which Sir Charles Metcalfe himself attaches such importance. Sir Charles Metcalfe states, as a general inference, that the transactions of Messrs. William Palmer and Company, were injurious to the Nizam's finances; and yet, in all the particular premises, from which that inference is deduced, he proves by his own testimony, that their operation had been beneficial.

560.

Secondly, How far the transactions of Messrs. William Palmer and Co., were discreditable to the British name and character, will appear upon a dispassionate perusal of the correspondence; and I appeal with confidence, to the just decision of your Honourable Court, upon this subject. That it was not so considered by the natives of Hyderabad, is manifest, from the respect and esteem in which the partners were held by them. That the British

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officers in the Nizam's country, did not so consider it, may be inferred from the universal feeling of the English society at Hyderabad. The copy of the Resolutions of the creditors at Hyderabad, on the 8th June, 1824, which is annexed to this paper, affords incontrovertible evidence upon this point. And lastly, I appeal to the opinions given by Sir Charles Metcalfe himself, in his letters of the 17th March, 1821, and the 5th of April, 1821, from which the following extracts are taken.

§.

" It does not strike me *that the interests of the Honourable Company have* " *been much affected* in any way by the loan: *disadvantageously, certainly not.* " *But for the loan, the increasing embarrassments of the Nizam's Government* " *might have induced,* perhaps must have induced some other measures, and " other measures might, perhaps, have been devised more advantageous to " the Nizam's interests, and so far, indirectly, to our own, than the one " under discussion. It is however, certainly, some advantage gained, that " the Nizam's Government *has been enabled to struggle on without any sacri-* " *fice on our own part,* to its present position, from which with proper mea-
192. " sures *there is a prospect of future prosperity.*

" The debt which they hold of the Nizam's Government, bears a very " high interest which it is desirable to reduce: and *in this particular alone,* " I think their interests, and those of the Nizam's Government opposed to " each other, and *that only under the supposition* that with the countenance of " the British Government it might not be difficult to raise money on better " terms elsewhere, for *here, without a guarantee, and perhaps, even with it,* " *money could not be procured for the Nizam's Government on advantageous*
193. " *terms.*

" With this simple exception of the high rate of interest, which I hope to " see lowered, as its continuance is not consistent with the financial pros- " perity of the Nizam's Government, *I do not observe any thing in the trans-* " *actions of the House requiring interference or restraint on the part of our*
193. " *government.*

" *The enterprize of such a Commercial Establishment, and the efforts which it* " *would make for its own benefit, must tend, I conceive, to promote the* " *prosperity of the country, and I cannot discover any canse for alarm in its*
Ibid. " *being allowed to have transactions with the Nizam's Government.*"

" I should think *it reasonable, in every point of view, that this House should* " *be as unfettered in its transactions as any other commercial concern;* and that " vigilance on our part should be exercised, not with a view to restrictions " on the proceedings of the Firm, but solely in order to guard the interests of " the Nizam's Government, and our own, in those transactions in which they
Ibid. " might be at variance with the interests of the House. With the least in- " terference in His Highness's affairs, it is impossible that the British Resi- " dent can sanction or tolerate any breach of faith towards the public
194. " creditors; when, by the intimacy of our connection with the state, we
Ibid. " virtually guarantee the payment of 18 and 24 per cent. interest on exist- " ing debt."

" There is, however, *another party* concerned, whose interest would " necessarily be effected by such an arrangement, and *are therefore entitled to* " *consideration;* I mean the Nizam's present creditors, and in speaking of " the Nizam's creditors, one's thoughts turn instantly towards Messrs. W. " Palmer and Co., who are almost the sole creditors of the Nizam's Govern- " ment, or who at least hold debt to the amount of 67 lacs of rupees."

" I thought it due to them, as they were so deeply interested, to commu- " nicate to them my intention of submitting the present proposition, in " order that they might be prepared for the measure if it should be carried " into effect, or have an opportunity of objecting to it, if they regarded it as

" a violation of their rights, or so injurious to their interests as *to entitle them* " *to peculiar consideration in managing its details.*"

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" I entertained the hope that they might have other means of disposing of " their capital equally advantageous, but in the communications which have " ensued since the intimation of my views, it has appeared that they do not " contemplate the possibility of such means, and that they would consider the " discharge of the loan as extremely disadvantageous."

" It appears that they relied on the continuance of the advantages which " they derive from the existing loan, for, at least, the period at the end of " which it was to be discharged, according to the provisions originally " devised for its liquidation; that in this confidence they withdrew their " funds from other transactions in order to consolidate them in this one, and " that they could not now return with benefit to those transactions from " which they then withdrew."

" *It seems that in raising money for this loan, they encountered some difficul-* Ibid. " *ties, and were in some instances obliged to pay higher interest than they re-* " *ceived*, and that they looked for their profit more to the latter, than the " early period of the loan's duration."

" They seem to have reckoned on the duration of the loan for a certain " period, almost as if there had been a contract to that effect, and to have " taken their measures accordingly."

" They allege that at *a time when the Nizam's Government could not* " *obtain money elsewhere, they advanced it, at a tremendous risk, before any* " *sanction had been obtained from the British Government.*"

" On the ground stated in the preceding paragraphs, they rest their claims " on the Nizam's Government, and *it appears to me that they may be deemed* " *entitled to liberal consideration*, not to the extent of injuring the Nizam's " Government, by a continuation of the high rate of interest attached to the " existing debt, supposing that a loan could be negociated on more moderate " terms; but in the way of compensation, for a loss of their present profits, " if at the same time the Nizam's Government can be sufficiently " benefitted."

" It is to be considered that the Nizam's Government is paying now not " only the profits of Messrs. W. Palmer and Co., but the difference between " the ordinary rate of interest at our Presidencies, and *the high rate which* " *that House pays to their constituents, from whom the money for the loan* " *was borrowed.*"

" In offering my opinion that *compensation* to some extent to Messrs. W. " Palmer and Co., would be *an act of liberal justice*, on the part of the " Nizam's Government; I am at a loss, I confess, as to forming any judg- " ment of the precise amount which it might be right to appropriate to this " purpose. *The Nizam's Government acknowledges its obligations to the* " *House*, and is ready to agree to whatever may be proposed. There would " be no difficulty in that quarter; but, taking into consideration their present " profits, their possible losses, and their former risks, I find it very difficult to " determine what would be a suitable compensation."

" I stated in a former report that 18 per cent. was the interest received " by Messrs Palmer and Co. from the Nizam's Government. I was " not aware at that time, but have since been informed by the Minister, that 195. " at the time of negociating the loan, a bonus was allowed of eight lacs. " This sum now forms a part of the capital of the debt, and whenever paid " off will be in excess to the amount actually borrowed. It bears interest, " I conclude, like the rest of the loan."

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" I understand from communications with Messrs. W. Palmer and Co., that " a payment of one lac and a half of rupees per annum, for four years, " would reconcile them to the discharge of their loan, and be considered " by them as very liberal treatment, though for their own interests they " would prefer that matters should stand as they are."

" It would, I conclude, *be gratifying to the Nizam's Government* to have " the loan transaction with Messrs. W. Palmer and Co. if it can be terminated " with benefit to his Highness's affairs, so terminated, *as not to give to that* " *House any just cause for reproach ;* and for myself, though I must crave " indulgence for intruding my own feelings, it would I acknowledge *be a* " *great relief to me to reflect*, that my duty had been accomplished without " excessive injury to those, whose interest must, unavoidably, in some " degree, be affected, if the plan proposed in this despatch should be carried
196. " into effect."

I humbly submit to your Honourable Court, that the whole scope and tenor of the foregoing passages, while they show that Sir Charles Metcalfe was not disposed to consult the interests of Messrs. W. Palmer and Co., at the expense of what appeared to him, to be the interest of the Nizam's Government, prove distinctly, that he did not then consider, that there was any thing in the nature of their transactions, either disreputable in itself, or calculated to operate injuriously on the reputation of the British Government.

ON THE COMMERCIAL INTERCOURSE BETWEEN THE TWO COUNTRIES.

Thirdly—With respect to the influence of the transactions of the Firm on the commercial interest of the Nizam's, and Company's territories respectively, and on the intercourse between the two, your Honourable Court will be pleased to observe, that the Firm had requested the attention of the Governor General in Council, to the advantages which must follow the
807. introduction of British manufactures into the Nizam's country. " We " should venture to plead that the benefit derived from our establishment, " in the introduction and circulation of British manufactures in central " India, have been considerable. The House was the means of bringing " European manufactures, to any extent, into this part of the country, and " its advantages have been principally disseminated among British " capitalists. The use of the cotton manufactures of Britain, amongst the " native inhabitants of this country, was introduced solely through our " agency."

Upon this Sir Charles Metcalfe makes the following comment:—" The " merit claimed in the fourth paragraph, on account of the introduction of " British manufactures into the Nizam's dominions, I believe to be as " unfounded as any other of the groundless and ridiculous pretensions " which they have from time to time set up, when it has suited their " purpose to represent themselves as benefactors of the Nizam's country. " British manufactures have found their way to the Nizam's territories, " as to all other parts of India. It has never struck me that Messrs. W. " Palmer and Co. have been conspicuous, in any exertions to introduce " them ; but it is well known to me, that even *one of the partners of that* " *concern has supplied himself with the cotton manufacture of England from* " *a native merchant*, in preference to his own Firm, because it was pro- " curable from native merchants on cheaper terms ; which would argue, " that the native merchants have better claims to the credit of introducing " British manufactures than Messrs. W. Palmer and Co. ; their assumed " claim on this point appears to me to be down-right nonsense. It " would be absurd to suppose that British manufactures would have waited " for the call of Messrs. W. Palmer and Co., or that articles which natives " prize and use at Calcutta and Madras and Bombay, would not be prized " and used at Hyderabad, or that native merchants are so insensible to " profit, as to reject an advantageous trade. I remember at Delhi, when " British chintzes found their way to India in abundance, so eager were the

" native merchants to engage in the traffic, that they brought them up at " great expence from Calcutta by Dawk bangy, and so eager were the " native community to purchase, that British chintzes sold in the " palace at six rupees per yard. *I have no doubt that British manufactures* " *would have been introduced into the Nizam's territory, as well, if not better* " *without than with Messrs. Palmer and Co.* But admitting the pretension " which they have advanced in its fullest extent, it is at least novel for " merchants to claim merit because they had studied their own profit, " and entered into a traffic from which they expected, and have derived " advantage." 806.

The Governor-General's comment upon this, is contained in Mr. Swinton's letter to Sir Charles Metcalfe, in these words. " The futility of the claim " of Messrs. W. Palmer and Co. to the favourable consideration of the " British Government, on the ground of the introduction into the Nizam's " dominions of articles of British manufacture, is too apparent to require " serious advertance." 808.

I beg leave to remark, that the evidences taken before the Houses of Parliament upon the last renewal of the charter in 1813, is in opposition to the position, that articles used or prized by the natives at Calcutta, Madras, and Bombay, would, as a matter of course, be prized and used by the natives at Hyderabad. If the position were just, it might apply, equally, to Cabul or Tartary, or any other native state. I must assert that Mr. W. Palmer did, from his habits and his intercourse with the native gentlemen in the city of Hyderabad, possess peculiar advantages, for introducing among them the use of British manufactures, and that he was the means of thus creating a great demand for, and consumption of, them. That he devoted a great deal of trouble and attention to this matter, and that at a time when the market of Calcutta was glutted with British produce, he rendered essential service to many merchants in that place, by finding an outlet for their goods at Hyderabad. Mr. W. Palmer states, that between the years 1816 and 1819, British manufactures were introduced by the House into the Nizam's country to the value of near £200,000.* This was principally for the consumption of the natives in the city. Mr. W. Palmer's Memorial, page 2.

Lastly—Though all mercantile enterprize is, avowedly, undertaken by individuals for their own benefit, it is, nevertheless, the policy of all Governments to afford countenance and protection to trade, and rewards, and special advantages have been given by the British Government, for the encouragement of such speculations, as have been considered to be productive of national advantages.

It is difficut for me to afford proofs, here, of the efforts made by Messrs. W. Palmer and Co. to introduce British manufactures into the Nizam's country. But the following copy of a letter from Mr. Robison, will tend to prove, that their representations upon that subject, are entitled to credit.

Edinburgh, 11th January, 1825.

SIR,

" In answer to your inquiries regarding the manufactures I consigned to " Messrs. W. Palmer and Co. of Hyderabad in 1819, I have to state, that I " was induced to make an investment of Glasgow and Paisley goods, in conse- " quence of an urgent letter from Mr. Palmer, recommending a very exten- " sive annual one, by which he calculated, I should make a yearly profit of

* Mr. Sydenham stated in his evidence before the House of Lords, in 1813, that the average demand for goods of European manufacture from the whole of the Nizam's dominions, had been about two lacs of rupees a-year. The greater part, if not the whole of these, must have been from the Company's cantonments.

Upon the same occasion, Lieut. Col. Munro said,—" Very few of the natives of high rank ever " purchase these European commodities from any wish of their own; it is generally such of them as " associate with European visitors; but that custom does not extend—it does not increase."

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" £2,000. My avocations and habits of life making it disagreeable to me to " enter again into the detail of commercial arrangements, I would have " declined this altogether, had I not thought he would have felt disappointed " in an affair which he seemed to have much at heart. As it was, I con- " fined my investment to such of the articles as he pointed out, as were more " immediately within my reach at the time, and in this way the invoice did " not amount to £1000. I need not trouble you with reading, nor myself " with writing any description of the goods, as I presume you must have " seen some of them at Hyderabad."

" In referring to Mr. Palmer's letter (of Sept. 1818,) I see he founds his " calculation of the profits likely to arise to me, from those which had been " recently realized on an importation from Madras, of three lacs of rupees " worth of English and Scotch fabrics. He recommends for the first ship- " ment as under,

" 500 pieces lenos and worked muslins.
" 100 ditto flowered silks and satins.
" 200 ditto Manchester goods.
" 2000 ditto Brussels carpeting.
" 100 ditto silk Gauzes.
" 20 rich shawls.
" worked cambrics.

" If you wish any more minute information on this subject, I can easily " get copies of some of the invoices of the goods which I purchased in " Glasgow to send out.

" I remain, Sir,

" Your very obedient Servant,

(Signed) " JOHN ROBISON."

" *Sir W. Rumbold, Bart.*"

In the Memorial from Messrs. W. Palmer and Co. in 1816, they preferred a claim to the favour of the British Government, in consequence of their successful efforts, to open the navigation of the Wurda and of the Godavery, and to bring down the produce of the Teak forests on that river to Corringa; and of the attempt in which they were engaged, to bring to the coast, by the same means, the cotton of Berar, which is considered to be the best in
4. India.

Mr. W. Palmer's Memorial, par. 275.

The success of their efforts for navigating the Godavery, has not, hitherto, been attended with the benefits to them which they expected. The opening of this navigation was accomplished with considerable difficulty, and was effected, by sinking capital to the amount of between five and six lacs of rupees; that capital must be eventually beneficial to the Nizam's country, though Messrs. W. Palmer and Co. have, by the failure of their House, lost the power of recovering it, or of deriving any advantage from it. The importance of the Godavery and the Wurda, as navigable rivers, is stated by Sir C. Metcalfe. " The districts on the Wurda, are recovering from a state " of almost entire waste, and I had the satisfaction of hearing from Mr. " Clarke, of the Nizam's service, who is stationed in that quarter, and to " whose zealous exertions the improvement is owing, that the number of " ploughs in use in those districts has trebled since last year. I entertain " great hopes that that part of the country will become very flourishing. " In common with the greater portion of the Nizam's territory, it has a very " rich soil, and what is denied to most parts, the advantage of water car- " riage for its produce to the Bay of Bengal, which may hereafter perhaps, " tend greatly to the advancement of those districts in wealth and prospe- " rity. Symptoms are already arising of individual speculation in that
164. " quarter, from which beneficial results to the country may be reasonably " expected." The beneficial speculations here alluded to by Sir C.

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Metcalfe, were those of Messrs. W. Palmer and Co. No other individuals ever ventured on speculations in that quarter.

The first attempt to open the Teak forests on the Godavery, was made in 1809 or 1810, by an English gentleman, Mr. Roebuck, who lost his life in the attempt, owing to the insalubrious climate. From that time, no other effort was made, until the successful one of Messrs. W. Palmer and Co., to form establishments in the forests, and to remove, and overcome, the obstacles which had hitherto obstructed the navigation of the rivers. Five or six European, or native British subjects, have at different times been employed by Messrs. W. Palmer and Co. on the Godavery, and some hundreds of the natives, and many hundred bullocks have been, continually, occupied in that enterprize.

The state of the districts on the Godavery, in the year 1795, will be ascertained by reference to Captain Blunt's Narrative, in Vol. VII. of the Asiatic Researches. Till the above operations of the House in that quarter, a stranger scarcely ventured into them. They were a blank in the map. The intercourse which Messrs. W. Palmer and Co. carried on with the wild inhabitants of those forests, could not but have a beneficial effect. The channel for a new and extensive supply of useful timber has been thrown open to your provinces, and the Nizam's revenue has benefitted by the duties which have been levied upon it. In such a part of the country, it was equally important to the Nizam's Government, and to Messrs. W. Palmer and Co., that their property should be protected, and accordingly, Rajah Chundoo Loll stationed guards there, for the purpose. On the 10th of March, 1823, the House received a note from Lieut. Barnett, inclosing the following extract of a letter from Sir C. Metcalfe. " Respecting guards to the Members of " the Firm of W. Palmer and Co., they should be withdrawn after allowing " sufficient time for the Members to entertain Chowkeedars for the protec- " tion of the property, which may at present be protected by the Govern- " ment guards. You will be pleased to communicate both with the Minis- " ter and the Members of the Firm on the subject, and have the guards " withdrawn as soon as Chowkeedars can be substituted." And Lieut. Barnett informed them, that the guards would be withdrawn on the 20th instant. The House replied, " We have a guard attached to our Godavery " concerns, without which, in the present condition of the Chinnoor Sircar, " it will be impossible to maintain our property in security. We request to " know whether you understand this order to extend to this guard. " Whether their return be required, or they be permitted to remain there, " it will be necessary that they be paid for the time being." On the 14th of April, Lieut. Barnett sent to the Firm, the following copy of a letter to him, by order of Sir C. Metcalfe.

" *To Lieutenant Barnett, &c. &c.*"

" Camp Talleigam, March 31, 1823.

" Sir,

" I am instructed to reply to your letter of the 24th inst. enclosing copies " of correspondence with Messrs. W. Palmer and Co. that the guard at- " tached to their Godavery concern must also, in the Resident's opinion, be " withdrawn, as soon as Messrs. W. Palmer and Co. can make arrangements " for the security of their property, which, as in other mercantile concerns, " should be protected at the expence of the owners.

" For such general protection, as the mercantile community is intitled to " from the Government, application will be made if necessary.

(Signed) " G. A. Bushby, Assistant."

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The Guards were accordingly withdrawn. The allusion to the state of the Chinnoor districts, had reference to the fact, of *their being in a state of actual rebellion at the time.*

From these details, and this correspondence, your Honourable Court will observe, that the trade of the House upon the Godavery, was not a fiction, as the Bengal Government, in their despatch to your Honourable Court of the 26th July, 1823, have represented it; but that it was a substantial enterprize, prosecuted with vigour and effect, and that Sir C. Metcalfe's orders were calculated to destroy it.

Mr. Russell's Letter, page 3.

In Mr. Russell's letter to your Honourable Court is the following passage: "An extensive establishment was formed by them, both in the "forests on the Godavery, and at Coringa, the Sea Port at the Mouth of "the River. A Captain in the Navy was employed by them as their prin- "cipal agent, in which capacity he built a ship of their timber at Coringa, "and considerable expence was incurred by them for several years in the "prosecution of the undertaking; of which, the reality is in no degree "affected by the success or failure of its issue."

The ship alluded to by Mr. Russell, was probably the Georgiana. She was built at Coringa, of the timber from the Godavery forests, and obtained British registry. But several large vessels, and numerous smaller ones, were built there, of the same materials, and one was launched about the month of June, 1823, the very month before the despatch from the Bengal government was written, describing the whole project as a mere fiction.

I have in my possession a correspondence which took place with Colonel Young, then Military Secretary to the Bengal Government, the Bengal Commissariat, and Captain Tyler, regarding a contract, which the House solicited for the supply of the Company's Gun Carriage Manufactory, at Cossepore, with Teak from the same forests.

It appears by the resolution of the Creditors on the 8th of June, 1824, that at the time the House stopped payment, its timber, then on hand, was valued at 100,000 rupees, with reference, not to its market price, but to the sum which could be immediately realized for it. The amount of the timber, and other property of the House, had been reduced at that time by sales upon disadvantageous terms, to meet the pressing wants of the House, for the purpose of preventing if possible, its stopping, till the decision of the Governor General in Council, upon Mr. W. Palmer's memorial, should be known. The principal sales of the House were on Commission, and consequently, the amount of property in their hands, does not appear in the schedules of their effects. It must have been to a very great amount.

It appears that the timber valued at 100,000 rupees, must have been at Hyderabad, since it was mortgaged there; there must have been timber to a great amount at Coringa, unless that had been sold at a loss, to raise funds in the distress of the Firm.

The intention of the House, to carry the trade of cotton to a great extent from the districts on the Wurda, was impeded by the Pindaree war, which drove away the inhabitants from the cotton districts, and by the ravages of the cholera. The locking up of the property of the Firm, in the Loan to the Nizam's Government, presented another obstacle to those speculations. The purpose was not, however, neglected.

Sir C. Metcalfe makes the following comments upon the improvements

which had recently taken place on the Wurda,—" as a sample of what is " likely to be effected, by giving confidence to the cultivators, I have re- " ceived a report from Lieut. Clarke, another valuable officer of the Nizam's " service, of the recent re-peopling of ninety villages in one district by re- " turned emigrants, in consequence of general assurance of protection, " which he was authorized by me to convey to them."

EFFECTS OF THE TRANSACTIONS OF THE HOUSE AS TO THE COMMERCIAL INTERCOURSE BETWEEN THE TWO COUNTRIES.

" That officer is employed in reinstating the population of some very " fertile districts on the Wurda, which the oppressions of the Nizam's Go- " vernment had converted into a deserted waste." 154.

Again, " Captain Clarke continues with unabated zeal, and considera- " ble success, to promote the resuscitation of the districts on the Wurda, " which, ere long, I hope to have an opportunity of visiting." 157.

I am ready to admit, to the fullest extent, the advantages which resulted to those districts, from the judicious exertions of Lieut. Clarke: but those exertions, would not have brought back the population of 90 villages, without the assistance of capital for the cultivation. That capital was provided, exclusively, by the House, who thus facilitated the improvements now described. The funds were advanced to the cultivators of cotton, through Jowla Persaud, and subsequently through Mr. Fenwick, the agent of the House; in the same manner, as advances were made by individuals in the Company's provinces, for the growth of indigo, &c. &c. Considerable portions of those advances, are still unrealized.

From the above details, your Honourable Court will be able to judge, how far the following paragraph, in the letter from Bengal, of July 26th, 1823, gave a correct account of the Firm. " The House being thus nomi- " nally established with the sanction of the British Government in 1814, " for purposes professedly of a mercantile nature, as especially set forth in " their memorial, Messrs. W. Palmer and Co. were enabled to enlarge the " sphere of their speculations, nothing was ever afterwards heard of the " success of the great timber trade, which was to be productive of such " general benefit to the country; and there can be no doubt, that they " became more and more deeply and exclusively engaged in pecuniary " transactions with the Minister of the Nizam."

VIII.—I must now solicit the attention of your Honourable Court, to the disastrous effects produced by the Proceedings of the Bengal Government, grounded upon Sir C. Metcalfe's misconceptions, and mis-statements, relative to the conduct of the Firm, and the character of their transactions with the Nizam.

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I believe the most impartial reader will admit, that there is something in the spirit which prevails through Sir C. Metcalfe's despatches, calculated to excite suspicion; the tone of his remarks is any thing rather than that of a calm, unprejudiced person; his statements and his inferences seem to require more than ordinary support. At all events, they have no claims to pass for truth and justice, without any proof at all. Yet, did the Bengal Government instantly listen to them, adopt them, as undeniable, and act upon them, as if they had been admitted and proved.

On the 30th April, Sir C. Metcalfe reported that he had received from Messrs. Palmer and Co., *professed* copies of their accounts with the Nizam's Minister. On the 14th June, he reported that an examination of 532. these accounts shewed, that the *pretended* loan to the Nizam's Government, in 1820, was *wholly a fiction*. In acknowledgment of this report, 554. a despatch is written on the 4th July, by Mr. Swinton, in which he says, that an answer to it was " suspended until the receipt of the detailed " account, from the examination of which, you have drawn your con-

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" clusion, that the loan of 60 lacs was a mere fiction to cover a transfer of " old balances."

On the 22nd July, Sir C. Metcalfe is again informed that Mr. Adam " has suspended a communication of his sentiments and orders, until the
577. " receipt of the detailed accounts: the examination of which has satisfied " your judgment that no payment in cash was made by the House of
572 " W. Palmer and Co. on the occasion of the 60 lac loan."

" Should so disgraceful a transaction (the despatch adds) be clearly " established against the parties concerned, and *from the decided manner* " *in which you have expressed your opinion on the subject, there is every rea-* " *son to conclude that such will be the case, the Governor General in Council,* " *will be prepared to adopt such measures with regard to them, as their conduct* " *in practising so shameful an imposition on the British Government will* " *necessarily demand.*"

This conclusion had thus been arrived at, upon hearing one side only, and without seeing either the accounts or the explanations. Abundant willingness is evinced to trust Sir C. Metcalfe's opinions and statements; and such a bias is shewn against the House, as hardly any further communication of the Resident's, or even of the accused was likely to remove. Nevertheless, the justice of giving the House the benefit of a hearing before sentence, or at least, before punishment is admitted, and this determination is announced to Sir C. Metcalfe, in the following terms:— " Previously to a final decision, however, it will be equitable to afford " Messrs. W. Palmer and Co., an opportunity of distinctly denying and dis- " proving so serious a charge. You will therefore lose no time, in com- " municating to the House (if you have not already done so) the conclusion " to which you have come on the general examination of their accounts " with His Highness's Government; and to call upon them for a distinct " admission or denial of the fact."

The House was at last to be permitted to know, for the first time, the conclusions to which Sir C. Metcalfe had come upon examining their accounts. How far he gave them that information, will appear by the letter of the 8th of August, in which *is not a word about fraud, or fiction, or unsanctioned balances, or payments from the Minister to the House, instead of from the House to the Minister; the letter together with the answer,* are *inserted at page* 744. Sir C. Metcalfe's comments on the answer, are to be found at page 743.

The spirit of rash condemnation manifest in the despatch of the 22d of July, will perhaps be thought sufficiently inconsistent with the language of delay and caution, and inquiry employed on the 4th. Yet still it professed to suspend the final sentence of destruction over the head of the Firm until it should be heard. Between the 22d and 26th, however, a resolution it seems was taken to let the whole weight of punishment suddenly fall upon the accused, still unheard, nay uninformed, of the charge against them.

Without waiting for the evidence, on that day the Governor-General in Council wrote to your Honourable Court, that " although they had not yet " obtained the proof offered by ocular inspection of the accounts of the " fact asserted by the Resident, that the sixty lac loan was a fictitious " transaction, intended to obtain the sanction and guarantee of the British " Government to the previously existing debt due to Messrs. W. Palmer " and Co. they could have no hesitation in expressing their conviction, " *founded on the matter before them,* and *their just confidence in the accuracy* " *of the Resident,* that such was the case. There can be no doubt (they " state) that the grossest deception in all that regards the affairs and trans- " actions of the House of W. Palmer and Co. has been invariably and " systematically practised on the Government;" and they then proceed at

great length, and in expressions of unmeasured obloquy, to comment on the conduct of the House; as if the fact, of which they themselves acknowledge they had not yet obtained the proof, were already established by indisputable evidence. After assuming that the sixty lac loan was a "fictitious transaction," they proceed to remark, that "in the statement deli- "vered by the Minister to Mr. Russell in May, 1820, no special mention "was made of the debt to W. Palmer and Co." "In the Minister's letter to "the House on that occasion (the paragraph continues) he cursorily alludes "to it in the following words. 'To clear off my debt to Soucars, and that "'to you, which I was obliged to incur on account of the expence of the "war.'" "This was followed up by a statement from Messrs. W. Palmer "and Co. in which they professed their willingness to advance the money "for the purposes communicated in the Minister's letter, including the "payment of their own debts, to which however they make no special "allusion." I entreat your Honourable Court to refer to the papers from whence these quotations were made, you will there perceive that the debt already due to Messrs. W. Palmer and Co. was distinctly mentioned. It appears that what the Bengal Government had overlooked did not escape your Honourable Court, and that you considered the payment of the debts to Messrs. W. Palmer and Co. "to have been one of the professed objects "of the Minister in negociating the loan." 39 and 40. 82, par. 70.

I give this as a specimen of the accuracy of those who assumed to sit in judgment on the House, without having the accused before them; and proceeded to condemn before they could have heard. The charge itself I have already disproved, by those documents and accounts which must have convinced the Council, if they had chosen to hear before deciding.

In No. I. of the Appendix a distinct statement in figures will be found, amply corroborating my former assertions.

On the 31st of July, five days only after the date of the foregoing despatch, another was addressed to your Honourable Court, forwarding the accounts of which the Government merely say "these accounts have in our opinion conclusively established the fact of the fictitious nature of the sixty lac loan," and they then, "deeming it unnecessary to trouble your Honourable Court with any detailed observations," simply refer you to the accompanying minutes, of Mr. Adam, Mr. Fendall, and Mr. Harrington.

Mr. Adam, in his minute states, that the accounts had been received, that he had examined them with all the attention which the time he had been able to devote to them would allow, but that *they were too voluminous, various, and intricate, to enable him to attempt to judge correctly of all the details which they embraced, that an examination in detail was at all events not immediately necessary, nor need they, as it appears to him, delay coming to a conclusion on the main questions arising out of these accounts.*

The reader of this passage is certainly little prepared to expect the following sweeping decision, so confidently pronounced on the very next day, and by the order of the same individual, to Sir C. Metcalfe.

"The *examination* of these accounts has *substantiated in the clearest manner,* "the *justness of your conclusions regarding the fictitious nature of the loan,* "and has *enabled the Governor General in Council to decide on those points* "*which were reserved until such examination should take place.*

"It being now determined to disallow the bonus with its accumulated "interest, and the payments or rather charges on account of pensions and "salaries to the Palmer Family, you will intimate to the House and the "Minister, that those two items cannot be recognized as forming a part of "the debt which we have undertaken to discharge, and that the British "Government will not interest itself in any manner for the liquidation of

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" those demands, nor can any payments be allowed, in future, on account of " them."

" It is calculated that the sum of twenty lacs, reserved by you to cover " retrenchments on account of objectionable charges, will be fully sufficient " for that purpose, the bonus, with interest, being taken in round numbers " at thirteen lacs and a half, and the allowances to the family of Palmer at " five lacs; but, of course, it will be necessary, in adjusting the account, with " a view to its final close, to calculate the exact amount of the two items in " question. This resolution, with regard to the allowances as already " charged, equally embraces the period for which the members of the " Palmer family claim arrears, in your letter of the 12th instant.

" The only remaining point to be noticed, is the procedure to be held " towards the House, *whose flagrant misconduct has now been so fully* " *proved.* Conformably to the course prescribed in the Governor General's " minute, you will be pleased, *except in the single case there supposed,* " formally to announce to Messrs. W. Palmer and Co. in writing, *that they* " *are no longer to consider themselves under the protection of the British* " *Government, or entitled to its countenance in the remotest degree.* You " will, at the same time *make a written communication to the Minister, apprizing him* that Messrs. W. Palmer and Co. have, by the general course of " their conduct, and more especially in the fraudulent transactions of the " sixty lac loan, forfeited every claim to the favor and support of the British " Government, which has accordingly withdrawn from all interest in their " concerns, and that they *are no longer in any degree under its protection.*

" Sir W. Rumbold having embarked for England, no steps can be taken " with respect to him, to mark the displeasure of Government at his con- " duct, and he must be left to meet the award which will be pronounced " by the authorities at home.

" Mr. Lamb, must be peremptorily required to quit Hyderabad, and pro- " ceed to Europe. The Governor-General in Council, will not, however, " object to his being allowed a reasonable term for the adjustment of his " affairs.

" With respect to Messrs. W. and H. Palmer, the same course cannot " be pursued; but though not liable *to transmission,* the Governor General " in Council, *will be prepared to insist on their expulsion from the Dominions* " *of his Highness the Nizam, should* it ever appear that they attempt to " renew their usurious dealings with the Minister or other officers of the " Government, or engage afresh *in intrigues against the British Representa-* " *tive,* or in otherwise counteracting *the just and salutary* measures of this Go- " vernment, for the improvement of the Nizam's Country, and the correc- " tion of those abuses in the administration of public affairs, which have
705. " been the fertile source of their ill-gotten gains."

Well, might Mr. Adam say, " I am not aware that any practical object " would be attained by more minute investigation," and, " an examination " in detail is at all events not immediately necessary." What more could any inquiry, or any measure, have affected to ruin the House, than was accomplished with fatal certainty by the foregoing despatch?

The accounts were transmitted from Hyderabad, some on the 12th, and the remainder, on the 14th July. The Post takes about a fortnight to go to Calcutta. In their despatch to your Honourable Court of the 26th July, the Government state, that the accounts had not then been received by them. The first Packet, therefore, at the earliest, must have reached Calcutta on the 27th, and the second Packet on the 29th. Some of the accounts, therefore, could have been in the possession of Government only three days, and some of them only four-and-twenty hours, when Mr. Adam

590 to 659
661 to 672
675 to 683
685 to 700

recorded his minute of the 30th July. The accounts themselves are among the printed papers. Your Honourable Court sees their bulk and intricacy; The magnitude and variety of the operations to which they relate, and the period of time over which they extend. They exhibit transactions of many millions of money, stretching through a series of upwards of twelve years, and occupy more than a hundred folio pages. Yet, in a case of this magnitude and importance, involving considerations the most momentous, both to the public and to individuals, affecting the very existence of a large establishment, and the fortunes of hundreds that were embarked in it, in such a case as this, without waiting to examine the accounts, without waiting for any explanations of Messrs. W. Palmer and Co. which the Government had already acknowledged it was just they should be allowed to afford, without waiting to go through even the forms of deliberation, did the Government in a few hours, abruptly determine, that *the statement of the Resident was abundantly confirmed, that the Loan consisted of transfers in account, and nothing more, and that it was from beginning to end, a mere juggle, a profligate and audacious fraud.* It would be an affront to your Honourable Court, to attempt to prove that the Members of Government could not have examined the accounts with sufficient attention to warrant their coming to a decision. Mr. Adam, in his minute avows that he had not, and he does not profess to adduce one single argument to shew the fraudulent character of the Loan. He merely enumerates the titles of the different branches of account; and adopts from the previous statements of Sir C. Metcalfe, a few leading positions; the whole of which, even if they were undisputed, would prove nothing against the reality, or the fairness of the loan. Mr. Fendall and Mr. Harrington concur shortly, in Mr. Adam's view of the subject. Mr. Fendall in his minute, states that he had been able to take only a *cursory view of the accounts*, which from the following passages, it is manifest he had not understood, he says, that " at the time the 60 lac loan was *pretended* to be nego-
" ciated by the Firm, for the special service of his Highness, the Nizam's
" Government, *not* a *single rupee* was advanced in cash on the occasion;"
that " Messrs. W. Palmer, and Co. had in concert with the Minister Rajah
" Chundoo Loll practised a gross imposition on the British Government, and
" entrapped it into a sanction of old loans, the existence of which was care-
" fully concealed by the Parties at the time when the proposition was made
" by the late Resident;" that " throughout the whole of these transactions,
" the Minister's conduct has been evasive, deceptive, and scandalous," and not only for this conduct, but, (he adds,) " as respects their attempts to in-
" jure the Resident in the opinion of this Government, I am compelled
" under all the circumstances which have come out during this most *irksome*
" *investigation*, to declare that they have no claim whatever to any further
" countenance or protection of this Government." Mr. Harrington does not profess even to have seen the accounts at all, and merely subscribes generally to the sentiments expressed by Mr. Adam and Mr. Fendall.

On this blind and hasty decision, Messrs. W. Palmer and Co. are barred of their claims on the Nizam's Government, to the amount of upwards of 20 lacs of rupees, the Minister even, if he should voluntarily express his intention of paying them, is prohibited at his peril from doing so, —the transactions of the House are branded with the most opprobrious terms,—an old servant of the Nizam's is stripped of the allowances which his services had earned; the House of W. Palmer and Co, are made responsible for those payments which he had received on account of these allowances, by the Minister's orders for many years preceding; one of the partners is hurried away from India, without being allowed time to settle his affairs; the others, who are protected only by their birth as natives of the country, from a similar fate, are told that they must no longer consider themselves under the protection of the British Government, or entitled to its countenance in any respect; and a similar intimation is publicly given to the Minister, in terms of undisguised menace, for the avowed purpose of intimidation. The inevitable effect of these proceedings, was to deter the native debtors, generally, from satisfying the just demands of Messrs.

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W. Palmer and Co., who, as they truly stated to Sir C. Metcalfe on the occasion, were thus "placed in the situation of outlaws, subject to every "manner of injury, fraud and imposition in their dealings, without the "right of appeal to any known tribunal." On former occasions, when the transactions of the House were under consideration, the Government had
816. called on the Accountant General for his opinion, yet in this case which, however important in itself, and in its consequences, was still a question of mere account, unmixed with any considerations of policy, no reference was made to the Accountant General. Had the accounts been referred to him, or had they been examined by any person conversant with accounts, the facts which I have before exhibited, must have been disclosed, and with those facts staring them in the face, it is utterly impossible that the council, whatever prejudice they might have conceived, could have come to the decision that the loan was fraudulent and fictitious; that not a single rupee was paid on it in cash, and that it consisted of transfers in account and nothing more.

As the Bengal Council cannot have been insensible of the injustice of this proceedure, some powerful motive must have existed for their extraordinary precipitation; and when the dates of their despatches, the 26th, and 31st July, are considered, it is impossible to avoid the inference, that Lord Amherst's arrival at Madras, known at Calcutta on the former day, * and his arrival in Bengal on the latter day, had some connexion with so extraordinary a precipitation, as marked their decision. †

Can any one doubt, who observes this coincidence of dates, compares the language of the despatches on the 4th, and on the 26th, that the decision was hurried on, in order that Lord Amherst, upon reaching Calcutta, might find the question finally disposed of? From the day of his arrival, all matters must have been referred to him, and if the determination had been delayed twenty-four hours longer, his Lordship must have decided for himself, and upon an examination of all the evidence. But it was deemed more certainly fatal to the Firm, that he should find a sentence already recorded on the books, and forming part of the measures adopted during the interregnum.

SUBSEQUENT PROCEEDINGS OF THE BENGAL GOVERNMENT.

IX. I solicit the attention of your Honourable Court, to the nature of the communication which was made to Rajah Chundoo Loll, as directed in the despatch of the 22nd July, 1823. He was to be told, "in the most "serious manner, and in the name of the British Government," that his further connexion with Messrs. W. Palmer and Co. would inevitably lead to his ruin; that his conduct in regard to that House, "has, in the opinion of
572. "the Governor General in Council, utterly deprived him of all claim to the
Ibid. "support of the British Government." The Resident is informed that the reports of certain intrigues which had been aimed at the subversion of the
574. Minister's authority would make the communication "*extremely opportune*,"— "that his only possible chance of regaining the confidence and esteem of the "British Government will consist in his manifesting an earnest desire to
Ibid. "repair the evils of his past misrule." He is desired to impress upon the

* "Calcutta Government Gazette Extraordinary, Saturday Night, July 26, 1823.

"CALCUTTA.—BANKSHALL CIRCULAR.

"The Cochin schooner, Lieutenant Edward Luscombe, from Madras, 19th July, arrived off Point "Palmiras, 24th instant, at two, P. M. with despatches announcing the arrival at Madras of H. M. "ship Jupiter, having on board His Excellency Lord Amherst, Governor-General. The Cochin "immediately proceeded on her return to Madras."

† "Fort William, July 31, 1823.

"H. M. ship Jupiter, commanded by Captain Westfall, arrived yesterday at Sangor, having on "board the Right Honourable Lord Amherst and his suite.

"Published by order of the Honourable the Governor-General in Council.

(Sigued) "W. B. BAYLEY,

"Chief Secretary to Government."

"Minister's mind "the critical situation in which he has placed himself;" he is told *that an excuse may be found* for the Minister, "*in the arts* which "the House have so successfully practised upon him;" and that the Governor General in Council is *not prepared to say* that the establishment of all the allegations against him "will impose on it (the British Government) the "necessity of recommending his removal."

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573. 572. Ibid

It is impossible that Rajah Chundoo Loll, can have understood these expressions in any other sense, than an intimation, that his only chance of saving himself was to adopt the views of Sir C. Metcalfe and Mr. Adam towards the House. He could not but suppose that if he would lend himself to the project of crushing the House, he might secure his own power, avoid the payment of his debt, and render himself acceptable to the English Government. That Rajah Chundoo Loll did not fall into this temptation, is, undoubtedly, very honourable to his character, but it also affords a strong presumption that he knew he had no reason to complain of the House.

On the 11th September Sir C. Metcalfe reported the result of the execution of the foregoing instructions. It appears "that the Minister evinced "considerable alarm." Sir C. Metcalfe characterises the consistency of his defence, as the "stale misrepresentations already more than once advanced," 801. and says that "it savours of the continuance of combination," between the Minister and the House. In the comments of the Secretary to Government, upon that subject, allusion is made "to the predicament in which Rajah "Chundoo Loll has now placed himself by the identification of his interests "with those of Messrs. W. Palmer and Co." 804.

Rajah Chundoo Loll could have nothing to gain, but much to lose, by the integrity of his conduct towards that Firm; outlawed as they were, and dependant upon his own good faith, alone, for the recovery of their claims upon himself; and the just inference to be drawn from it cannot fail to strike your Honourable Court.

In order to place before you the ruinous operation of the orders that have been issued by Sir C. Metcalfe, since the date of Mr. Adam's minute, and Mr. Swinton's instructions upon it on the 31st of July; it is necessary that I should bring to your attention, the letter which the House had received under date the 10th February, 1823; of which the following is a copy:—

"Gentlemen,

"I am directed by the Honourable the Governor General in Council, to "inform you that all intercourse between the Members of your Firm and the "Nizam's Minister, personal or written, direct or indirect, except through "the channel of the British Resident, is for the future prohibited, in the same "manner as in the case with regard to other British subjects at Hyderabad.

"2. I shall be happy to receive any communications that it may be "proper for you to make to his Highness's Government, and I trust that you "will find that due attention is paid to your just claims and interests.

"3. During my absence from Hyderabad, whenever you may suppose "that your interests will suffer from the delay of a reference to me, I beg "that you will address yourselves to my assistant, Lieutenant Barnett, with "exception to the case supposed, I shall prefer receiving your communica-"tion directly.

(Signed) "C. T. METCALFE, Resident."

This arbitrary decree, which was given before any attempt had been made to attach culpability to the conduct of the House, went the length of prohibiting any intercourse between the Firm and their two principal debtors,

SUBSEQUENT PROCEEDINGS OF THE BENGAL GOVERNMENT.

namely, the Nizam's Minister, Rajah Chundoo Loll, and his nominal Minister, Mooneer ool Moolk. The former being indebted to them in the sum of nearly £900,000, and the latter about £100,000. As to their accounts with the latter, the British Government had not been in any way called upon to interfere, and had not even been requested to take any cognizance of them; those accounts being entirely with Mooneer ool Moolk, in his private capacity and for his private convenience, and resting solely upon the security of his honor, in a country where there are no legal tribunals: while the debts of the former arose from advances made to him, for the service of the Nizam's government, upon his sole and personal credit, and wholly upon the reliance of the Firm on his good faith, without the Company being in the remotest degree responsible for the repayment of the money, however much it might have benefited by the application of it. The Firm represented the injustice of this prohibition in a letter, to which the following answer was returned by Sir Charles Metcalfe dated February 20th, "I am favoured with your letter "of the 16th instant. I trust that no injurious consequences, such as you ap- "prehend, will result from the orders of the Honourable the Governor General "in Council, *but in the event of extreme exigency*, I am authorised to aid you to "a limited extent."

"If the monied men take up any needless alarm, you can, during my ab- "sence, refer them to my assistant, Lieutenant Barnett, who will no doubt, "be able to assure them *that no injury to your establishment is intended or* "*desired by the British Government or its local representative.*"

Before the above order was issued to the Firm, they had been called upon, and had consented to give to the Resident, for the information of the Governor General in Council, copies of all their accounts with Rajah Chundoo Loll. They had remonstrated against being compelled to do so, but had been told by Sir Charles Metcalfe, in a letter dated February 5th, 1823, "Your objections to the production of the accounts called for by my letter "of the 13th December, being deemed entirely inadmissible, I am com- "manded by the Honourable the Governor General in Council, to intimate "to you the expectation of Government, that no further demur will be "made on your part, to the production of all the accounts required, with "such further information or explanation, regarding any items of those "accounts, as it may seem proper to demand; and also to apprize you, "distinctly, that your compliance with this requisition, is an *indispensable* "*condition* of the interference of the British Government, for *the adjustment* "of your *claims against the Nizam*, and of its *countenance* to your *further*
470. "*commercial dealings in His Highness's territories.*" And again in a letter dated February 23rd, "Adverting to the apprehensions which you express, "but which I trust will never be confirmed, I cannot refrain from pressing "on your attention, the expediency of furnishing, without delay, the detailed "accounts required, *which will lead to the removal of every possible cause of*
476. "*alarm.*" Your Honourable Court will observe, that the sentiments here expressed towards the Firm, form a strange contrast with the tone of his letters to the Bengal Government, at the same period.

Messrs. W. Palmer and Co. consented to give their accounts, when thus pressed by the Government; but they cannot help feeling, that it was a measure of great hardship, to compel bankers to give accounts which had been passed and closed, with the approval of the parties concerned; for the purpose of being subjected to a re-audit, by another Government. They believe, that it might be possible to find objections to the banking accounts of any house in the world, if they were to be subject to the opinions of persons, unacquainted with local circumstances, especially if under the influence of unfavourable prepossessions.

On the 1st of July, the Firm were informed by Sir Charles Metcalfe, that they were to receive immediate payment of the bulk of their advances to the Nizam's government, and that 40 lacs of rupees were ready for issue to

them, they requested that he would not force upon them the immediate receipt of more than 20 lacs, being under engagements to their constituents to a large amount, and being desirous of obtaining time to communicate with them, so as to avoid the ruinous consequences of the precipitate payment of a large sum, originally advanced for a period of six years, of which little more than two had run. But this request was refused by Sir Charles Metcalfe, on the ground of the delay occasioned by the House in furnishing the accounts.

On the 8th of July, 1823, the Resident informed Messrs. W. Palmer and Co. that the allowances heretofore received by Mr. W. Palmer in his own name, and in the names of his children, and those received by Mr. H. Palmer, had been discontinued and revoked, the same *not having been sanctioned by the Honourable the Governor General in Council,* and on the 25th August, he notified that the payments made by the House for the Nizam, on the account of those allowances were not to be allowed Yet the sums thus disallowed, had been acknowledged by the Nizam's Minister to be due, as is admitted by Sir Charles Metcalfe himself, who says, in a letter to Mr. Swinton, " with re- " ference to the 7th paragraph of your despatch of the 31st ult. I have the " honour to inform you that the accounts of Messrs W. Palmer and Co. were " admitted by Rajah Chundoo Loll, previously to their submission for " the information of Government." 745.

The decision regarding the allowances to Mr. W. Palmer and his family, was the more remarkable, because they had been already paid to the House by Sir C. Metcalfe, in the account bearing 24 per cent. interest. Mr. W. Palmer's Memorial, p. 11.

On the 8th of September, 1823, Messrs. W. Palmer and Co. requested to be allowed to resort to the Minister's sense of justice for the payment of the rejected items. This request Sir C. Metcalfe transmitted to Mr. 798. Swinton in the following words:—" I beg to be instructed on the point of " reference contained in the second paragraph of their letter; that is, as to " whether or not it is the purpose of Government to prevent payments on " the part of the Nizam's Minister on account of the items rejected by the " Governor General in Council as objectionable. Such payments may be " made by Rajah Chundoo Loll or not, according to his notion of influences " at the time, and of their effects on his own interests." 797.

Mr. Swinton replied, " You will be pleased to acquaint Messrs. W. Pal- " mer and Co. that under the above circumstances, the British Government " never could sanction, by its countenance, so shameful and criminal a mis- " appropriation by the Minister of the public funds, as the liquidation of " the demands of the House on account of the bonus and arrears of allow- " ances; and that, in the event of Chundoo Loll's taking upon himself to " satisfy those demands from the coffers of the state, you are authorized " and instructed to make representation to the Nizam himself, remonstrat- " ing against such misapplication of the public money. *You will, at the " same time, warn Chundoo Loll of the consequences of his making such " payments, in opposition* to the declared opinion of the British Government, " regarding the character of both of those transactions." 800.

Of this decision the Firm was apprized on the 12th of November, 1823, in the following words:—

" Under these circumstances, the British Government never could sanc- " tion, by its countenance, so shameful and criminal a misappropriation of the " public funds by the Minister as the liquidation of your demands on " account of the bonus, and those allowances; and, in the event of his taking " upon himself to satisfy those demands from the coffers of the state, I am " instructed to make a representation directly to his Highness the Nizam, " remonstrating against such misappropriation of the public money." 833.

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On the 17th of November, Messrs. W. Palmer and Co. again addressed Sir C. Metcalfe, regarding the items which had been objected to. They pointed out particularly the period at which Mr. W. Palmer's allowances had been granted, and the circumstances under which they had been given by the Nizam's Government. The injustice of making the property of the House and of its constituents, answerable for the payments which Mr. W.
835. Palmer and his family received, exclusively for their benefit, will not, I am convinced, receive the sanction of your Honourable Court. Those payments had been made to him by the Minister, before the establishment of the House, and might have been continued without any reference to it. The Firm in paying those allowances only obeyed the Minister's orders.

On the 25th of August, 1823, Messrs. W. Palmer and Co. received a letter, of which the following is the copy:—" I am commanded by the " Governor General in Council, formally to announce to you, that you are " no longer to consider yourselves under the protection of the British " Government, or entitled to its countenance in the remotest degree."

In the reply from Messrs. W. Palmer and Co. they state impressively, " being *deprived of the protection* of the British Government, and *restricted,* " by your letter, of the 10th of February, from *all intercourse with the* " *Nizam's Government*, we are literally placed in the situation of outlaws, " subject to every manner of injury, fraud, and imposition in our dealings, " without the right of appeal for justice to any known tribunal. The " immediate tendency of this measure, connected with the restriction, will " be to deprive us of the means of realizing our claims; which from the " magnitude of our transactions, embracing a capital even now of more " than sixty lacs of rupees, involves numerous interests; and we respect- " fully plead, that the question, from its bearings, should *be deemed rather of* " *a public nature, than viewed as a measure confined in its operations solely* " *to the interests of the House.* We beg to call your attention to the cir- " cumstance that there is no court of justice under this Government, and
806. " that our appeals for redress could be made to the Minister only."

On the 13th of September Sir C. Metcalfe replied.

" I have had the honor of receiving your letter of the 9th instant.

" It shall be submitted for the consideration of the Right Honourable the " Governor General in Council, and the result communicated to you.

" The peculiarity of your predicament in a country where there is no " tribunal of justice, if you be deprived of intercourse with the Nizam's " Minister, and also of the intervention of the British Resident, has already " been reported for the consideration and orders of Government.

" In the meantime, I have to inform you, in reply to your enquiry on that " point, that the prohibition of your intercourse with the Nizam's Minister
807. " has not been rescinded, and is still in full force." On the same day,
806. Sir C. Metcalfe wrote to Mr. Swinton, and transmitted the letter he had received from the Firm, together with comments, which appear to have been intended to counteract any impression their letter might have made upon the mind of the Governor General.

This letter was answered by Mr. Swinton on the 17th of October: he says, " I am directed to acknowledge the receipt of a despatch from you, " dated 13th ultimo, submitting a copy of a Letter from Messrs. W. Palmer, " and Co., in which they solicit a revision of the orders, declaring them to " have forfeited the countenance and protection of the British Government."

" The Governor General in Council is unable to discern, in any explа- " nation as yet afforded by Messrs. W. Palmer and Co, of those proceed-

" ings, on their part, which led to the order complained of, any ground for " its revision; while much has since appeared to his Lordship in Council " to confirm the justice and propriety of that resolution. *If, as W. Palmer and Co., assert*, there be no *redress to be expected from* the tribunal of " justice at Hyderabad, *but through the Minister*, his Lordship in Council " *can only regret that so defective a system, and so liable to abuse, should still* " *prevail.* It must always be remembered, however, that Messrs. W. Palmer and Co. *engaged in commercial and banking concerns* in the Nizam's " country *with a full knowledge of the risks they incurred.* Hence it is to be " presumed, that in persevering in those concerns for a series of years, " they must have satisfied themselves, that the chances of gain, predominated over the hazard of loss, since they could never have calculated on " the countenance, or support, of the British Government in transactions " carried *on without its sanction*, and *which, when known, could not stand the* " *test of investigation.*

" Precluded as this Government is, by the positive orders of the Honourable the Court of Directors, from interfering, in any way whatever its " name, *authority, influence, or good offices of any sort*, for the furtherance of " *any demands* which the House of W. Palmer and Co. may bring forward, " and bound in duty to our Ally to prevent, as far as may be practicable, " any abuse of power on the part of his Minister, no course was open to " this Government, on its *discovery of such abuse, fraud, and collusion* with " the House, but to adopt the measure which it is now the object of *Messrs.* " *W. Palmer and Co. to induce it to abandon.* *While* that Firm continues to " be placed on the same footing with all other British subjects in the " Nizam's Dominions, and is free to present, through the British Resident, " to the Government of His Highness, any appeal for redress of its demands, " it cannot with justice complain of the restriction on its direct intercourse " with the Nizam's Government; neither, under such circumstances, is it " warranted in the assertion, that the operation of the orders in question is " to make them outlaws, since the same channel is open to them that is " free to all other British subjects. Until they shew that any just and " legal demand of theirs has been rejected by the *Minister when submitted to* " *him through the prescribed channel of the British Resident, they are not* " *justified in asserting, that the door of redress is closed against them.*"

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I submit that the above sentences, afford the most conclusive evidence of the truth of what I have before asserted, that Lord Amherst had not investigated the correspondence or proceedings, which had taken place regarding Messrs. W. Palmer and Co. The hasty and premature sentence of the former Government had precluded them from the benefit of his impartial justice. His opinions were evidently formed upon the decision which he found recorded in Council, and which he must have supposed to be the result of mature deliberation.

It is assumed in the above letter, first, that the order of which Messrs. W. Palmer and Co. solicited a revision, was that of the 25th of August, by which they were informed that they were " no longer under the protec- " tion of the British Government, or entitled to its countenance in the " remotest degree." But your Honourable Court will observe, that what they had solicited, was the rescinding of the *restriction* contained in the letter of the 10th of February, by which they were prohibited from any intercourse with their debtors, the Nizam's Ministers " personal or written, " direct or indirect."

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2d. That Messrs. W. Palmer and Co. were aware that certain proceedings on their part, had led to the order complained of, and that they had had *an opportunity of affording explanations regarding their proceedings*; whereas, not *any motive was assigned* for those restrictions, nor was any *communication made to them* on that subject but what appears in the letter to which I have already referred.

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3d. That a tribunal of justice existed at Hyderabad, independent of the Minister, and competent to afford them redress. Whereas it is clear from Sir C. Metcalfe's letter to the Firm, and by his letter to Mr. Swinton, that there was not any such tribunal; and the fact is, that the Minister himself, was in the Nizam's country, as is the Minister in other native Governments, the judge in all important affairs.

807.

827. 4th. That Messrs. W. Palmer and Co. engaged in commercial and banking concerns at Hyderabad, with a full knowledge of the risks they incurred. Whereas it was not possible for them to have foretold that they would be subject to any risks, beyond those which must attend a reliance upon the stability of a native Government, and the good faith of the Prince or his Minister. But these were not the risks of which the Firm complained. The causes which have produced their ruin, were the orders of the British Government, and these they could not have foreseen, since they were in opposition to the pledges and promises officially communicated to them.

5th. That the House had carried on transactions without the sanction of the British Government, and could not, for that reason, have calculated on its countenance and support. Whereas the House had not any transactions with the Nizam's Government, which had not received the positive sanction of the British Government, and the promise of its countenance.

6th. That the Government was precluded, by the positive orders of the Court of Directors, from interposing in any way whatever, "*its name, "authority, influence, and good offices of any sort for the furtherance of any "demands which the House might bring forward.*" The orders here alluded to are not specified, but in a subsequent letter, the orders contained in the letter to Bengal of the 20th May, 1820, are mentioned as the grounds of a similar declaration. I must here assert my belief, that those orders did not bear out the Government, in the use that was made of them; and I shall request the attention of your Honourable Court to this part of the question presently.

7th. That the discovery of abuse, fraud, and collusion had induced the British Government to adopt the measures, which Messrs. W. Palmer and Co. deprecated. Whereas, at the time the restriction was imposed, no imputations of the above character had been cast upon the House; and I confidently hope that your Honourable Court will allow, that no such conclusion can be drawn, from any thing that has since appeared.

8th. That the Firm was on the same footing with all other British subjects in the Nizam's dominions. But that was a manifest error, for no such prohibition did exist with regard to any other British subjects. And even if it had existed, the privilege which the House had previously enjoyed, and the nature of the communications, which had been made by the Resident to the Minister, at the time of withdrawing it, placed them in a very different situation from all other British subjects, against whose claims to impartial justice, no such representations had been made.

9th. That the Firm was not warranted in the assertion, that the operation of the orders in question was to make them outlaws. But they did not state, that the simple operation of one, or other, of the orders of the 10th of February or 25th August, was tantamount to outlawry, but the combined operation of both those orders. Sir C. Metcalfe himself admits, that in point of fact, their assertion was correct, and says, "The peculiarity of your
807. "predicament in a country where there is no tribunal of justice, if you be "deprived of intercourse with the Nizam's Minister, and also of the inter- "vention of the British Resident, has already been reported for the "consideration of Government."

Messrs. W. Palmer and Co. had claims against Shah Yar ool Moolk, for advances made to him for improving his Jagheers, which advances were made with the sanction of the Nizam's Minister, and upon his express guarantee. They had also claims upon Munsoor Khan, for about one and a half lacs of rupees, advanced to him, under similar circumstances, and a similar guarantee.

The circumstances attending both those loans had been communicated to Sir C. Metcalfe, soon after his arrival at Hyderabad, in a letter dated January 15th, 1821, in these words, " We have lent a sum of eight lacs of 146.
" rupees to Shar Yar ool Dowlah, to enable him to carry into effect the
" same system of reform, in his Jagheers, which has been recommended to
" the Minister—the dilapidated state of his country—his troops having
" fallen into arrears, and his necessities destroying the means of improve-
" ment, induced us to make this loan. The Minister is guarantee, but we
" have no doubt from Shar Yar oo Dowlah's respectability, and the
" improveable condition of his country, that this debt will be punctually
" discharged by him within the stipulated period of four years."

" A loan of a lac and a half of rupees made to Munsoor Khan, by desire
" of the Minister, for the improvement of his talookhas, under the promise,
" that the Minister will hold himself responsible to pay the amount, if
" Munsoor Khan be dispossessed of his talookhas, before the debt is
" discharged."

And Sir C. Metcalfe had communicated a copy of this letter to the Supreme Government, on the 21st January, 1821. The sanction of the Governor General in Council to these arrangements, was conveyed to Sir C. Metcalfe, in a letter from Mr. Swinton, who says of those advances, 163.
that they " appear to the Governor General in Council, *consonant to the*
" *principles* which had the general *assent of the* Government; the *faith*
" *plighted by the Minister that* he would not *without answering to* Messrs.
" W. Palmer and Co. for the sum, *dispossess the revenue* of that tenure, on
" *the strength of which alone the House furnished money to restore the*
" *cultivation of the district, is a simple and actual pledge, liable to no suspicion*
" *of incorrectness.* A reliance in the honour of the Minister, which is all
" the amount of reference to him, is not meant to be invalidated in those
" instances, the engagements having, in them, been *made before any suppo-*
" *sition could be entertained* of an objection on the part of the Honourable Court
" to the transactions of the House generally with the Nizam's Government."

At that time, it was known to Sir Charles Metcalfe, and to the Governor General in council, that the Firm paid 12 per cent. per annum, and upwards, for all monies held by them from their constituents, and received a higher rate of interest for their loans to others; at that time, moreover, the legal authorities in India, had declared that the Act of the 15th George III. did not 5.
extend beyond the Company's settlements, (an opinion repeated by Mr. Spankie in February, 1823,) and the Governor-General in Council, had ex- 412.
pressly approved of loans made by Messrs. W. Palmer and Co. at a higher rate of interest upon the strength of that opinion.

Your Honourable Court was informed that such opinions had been given, nor does it appear that any other had been obtained, *or even asked for* till August, 1822, or that your Honourable Court transmitted them to India *till* 104.
the 9th of April, 1823.

The communication of these latter opinions to the Firm did not take place till the 1st of November, 1823, and, consequently, nearly three years after the loans in question, and during the whole of which time, the Firm had continued to believe, that their transactions generally were legal, and unobjectionable, and that in the cases above-mentioned, they were under the guarantee of the Nizam's Minister, and sanctioned by the Governor General in Council.

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On the 16th of August, 1823, Messrs. Wm. Palmer and Co. addressed Sir Charles Metcalfe, regarding their claims against Shar yar ool Moolk, and stated that Umeen ool Moolk had made himself responsible for them, but would not adjust them. In a letter dated the 20th August, Sir Charles Metcalfe desired to know, whether the Nizam's Government had guaranteed the engagement of Umeen ool Moolk. To which the Firm replied, that the
747. engagements with Umeen ool Moolk were concluded under the express direction of the Nizam's Minister. That by the terms of the original engagement with Shah yar ool Moolk, the Minister was to appoint "Naibs" or deputies, on his part, to the districts of Shah yar ool Moolk, in the event of his neglecting to fulfil his engagements, and that Umeen ool Moolk had been so appointed in consequence of that stipulation.

At the same time they inclosed copies of the correspondence with the
748. Minister, proving that he was a guarantee to the arrangement.

On the 27th of August, 1823, Sir Charles Metcalfe communicated to Mr.
746. Swinton, copies of his correspondence with the Firm upon this subject; by which it appears that Sir Charles Metcalfe had received an impression, or wished to convey such a one, that the claim arose out of a new transaction of Messrs. W. Palmer and Co. with the Nizam's Government, and was, therefore, in opposition to the orders he had received and communicated to them from the Governor-General. Whereas it was in fact, the completion of the agreement made with Shar yar ool Moolk, originally, and which had been sanctioned by the Governor-General. On the 17th October, 1823,
748. Sir Charles Metcalfe is apprized "Under the Orders of the Honourable "the Court of Directors of the 24th of May, 1820, the Governor General in "Council is positively prohibited from interposing, in any way whatever, "the name, authority, influence, or good offices of any sort of the British "Government, for the furtherance of any demand which Messrs. W. Palmer "and Co. may bring forward; with advertence, therefore, to those orders "and to the instructions lately issued to you, under date the 3d of July last, "you will consider yourself to be strictly prohibited from interposing with "the Nizam or his Ministers, in favour of any demands by Messrs. W. Palmer "and Co. against all individuals whomsoever."

"With respect to the special transaction between the House and Umeen "ool Moolk, now under consideration, the Governor-General in Council "observes, that it cannot be considered to be one which the British Govern-"ment is in any way pledged to adjust, the Minister having declared that "it was not guaranteed by him: but even supposing such a guarantee to "have originally existed, any claim of the House to our intervention would "have been justly forfeited by the act, on their part, of allowing *so long a* "*period to elapse, since they were directed to bring all such transactions to a* "*close.*"

"Finally, it is to be observed, that admitting that the demand of Messrs. "William Palmer and Co. against Umeen ool Moolk, was one in which "the British Government might deem it expedient to interpose, for the "purpose of bringing to an adjustment, all pecuniary transactions of a public "nature between the House and individuals under the guarantee of the "Minister, it would still have been necessary, with advertence to the recent "declaration respecting the illegality of loans, at a rate of interest ex-"ceeding 12 per cent. per annum, to require Messrs. W. Palmer and Co. "to limit their demand for interest to that rate, since the British Government "could not have consented to be the channel of forwarding an illegal claim."

The extract which I have already given from the Bengal regulations, shews that the British Government has not simply been the *channel* of forwarding similar claims to those which are here said to be illegal, but has *enacted a law*, under which the Judges, in the Company's Courts, are obliged to enforce payments of such claims.

I must remark that the orders of your Honourable Court above referred to, were not in any way applicable to the situation of the House at the time in question; and that the assertion that the Minister had *declared*, that the debt was not guaranteed by him, was *most extraordinary*, as opposed to the Minister's *engagement in his own hand writing*, of which a copy had been sent to Sir Charles Metcalfe; and to the fact, that those transactions had been reported to him so long back as 1821; moreover, on the 5th July, 1822, Sir Charles Metcalfe had expressed his belief that there was a virtual guarantee, on the part of the Minister, to those very claims. 834. 172.

The application to those claims, of "the recent declaration respecting "the illegality of loans at a rate of interest exceeding 12 per cent. per "annum," was tantamount to the extension of the penalties, of an ex post facto law against them. It may be as well to explain, that at the time the House made the loan in question, to Shar Yar ool Moolk, he was reduced to a state of distress, which would have compelled him to give up his Jagheers, but for the assistance of the Firm; that they were principally induced to afford it to him, on account of the respect and attachment which Mr. W. Palmer entertained for an individual, whose character was generally held in great esteem,—that the interest of the loan was only 18 per cent., and consequently *a lower rate than that upon which money had ever been borrowed by natives at Hyderabad, and lower than what might be considered, or was in fact, the legal interest in that country.* That Shah Yar ool Moolk did not attempt to deny the justice of the claims, and that by the arrangement which placed the estates in the hands of Umeen ool Moolk, they were only vested in him as a trustee, till the liquidation of the debt to the Firm.—A transaction similar to that in cases of mortgage, except, that the friend of the debtor, appointed by the Minister, had the charge of the estates for the benefit of both parties, and not the creditor.

What chance they had of obtaining payment from him, may appear by Sir Charles Metcalfe's own words, in his letter to Mr. Swinton.

"I am not surprised," says he, "at their feeling a difficulty in regard to a "resort to the Courts in this country, for *I know of none of sufficient re-* "*spectability* to *warrant any reliance* on their decisions, *and I am not aware* "*that any possess authority over the class of persons against whom the* largest "demands of Messrs. Palmer and Co. are charged." As to Umeen ool 827. Moolk, Sir Charles Metcalfe states, that he is the brother of the Minister, Mooneer ool Moolk; he was consequently less under such authority than any other person.

The claims against Moonsoor Kahn, being nearly of a similar nature with those against Shah Yar ool Moolk, the Firm did not see any chance of redress, by an application to Sir Charles Metcalfe. They therefore merely 829. stated to him generally, that they had such claims, and had no channel through which to apply for their adjustment. Those two claims, therefore, have been rendered irrecoverable, unless your Honourable Court shall interpose to avert such grievous injustice.

The Firm had also a claim against Mooneer ool Moolk, the nominal Minister of the Nizam, for the balance of the private account, already referred to, which had existed since the commencement of the House. As the prohibition of intercourse extended to him, the Firm had no means of communicating with him, except through the Resident. The accounts, which had been regularly passed by Mooneer ool Moolk, were accordingly forwarded to Sir Charles Metcalfe, on the 10th August, 1823, with a request of his interference for their adjustment. By him they were transmitted to Mr. Swinton on the 29th with a letter; in which he says: "It would "seem to be necessary, *either* to allow Messrs. W. Palmer and Co. to 733. "have intercourse with Mooneer ool Moolk, regarding these accounts, "*or to authorize* the Resident to listen to their applications. The former

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" course, under existing circumstances, might not be attended with much *risk* " *of mischievous consequences*, though the latter, perhaps, would be the *least* " *objectionable, unless it be deemed inconsistent* with the orders *lately issued* " *for withdrawing protection* from Messrs. W. Palmer and Co."

796. In reply on the 17th October, 1823, Mr. Swinton says: " On a reference " to the accounts in question, it appears that, exclusive of commission on " purchases, discounts, and transfers, they shew a charge on account of " interest to the enormous amount of rupees 11,13,010, while there are " only two small sums, amounting to rupees 31,847, credited to the Minister " for interest in the account current of 1237,8, (A.D. 1822-3.) The " Governor General in Council concludes that Mooneer ool Moolk has " not been allowed interest, because, with the above exceptions, no " credit is given him for interest, and because the charge on the debit side " is not ' to balance of interest,' but simply ' to interest' from one date to " another. Had Mooneer ool Moolk been allowed interest on the sums of " money paid into the House by him, or on his account, in the same " manner as he has been charged with interest on advances made by the " Firm, it is probable that the balance due to Messrs. W. Palmer and Co. " would have been comparatively small. The claim which the House now " makes upon Mooneer oolk Moolk is rupees 11,46,575, and the amount of " interest charged, after deducting the small sum allowed for interest in " the last account current, is rupees 10,81,163, so that the sum claimed by " Messrs. W. Palmer and Co. appears to consist almost entirely of an accu- " mulation of compound interest, at an illegal and usurious rate."

It appears by this.

1st. That the charges in these accounts for interest were declared to be enormous, because the aggregate of such charges in the account current, amounted to the sum of rupees 10,81,163.

2ndly, That the Governor General in Council, supposed that Mooneer ool Moolk had not been allowed interest on the sums of money paid into the House *by him on his account,* because there were only two small sums amounting to rupees 31,847, credited to the Minister for interest, in the last year's account, and because the term used in the entry on the debit side, is not " balance of interest," but simply " to interest."

3rdly. That from these circumstances, the Governor General concluded, that the balance due to Messrs. W. Palmer and Co. would have been " comparatively small " if he had been allowed interest *in the same manner as he was charged.* And that the compound interest upon a current account was matter of disapprobation.

In reply to the first objection, I submit to your Honourable Court, that it does not follow that a charge of interest is enormous, because it amounts to rupees 10,18,163; and that its liability to such a construction, must depend upon the amount of the debt upon which it is charged, and upon the length of time which that debt may have been due. The accounts current of Mooner ool Moolk extend over a period of about twelve years: during which time the entries amount to nearly 65 lacs of rupees; and during the whole of that period the balances were greatly against him; generally to the amount of four or five lacs, and occasionally to seven or eight lacs and upwards.

In reply to the second comment I must observe, that the accounts afford complete evidence, that Mooner ool Moolk was allowed interest at the same rate, upon the money paid by him into the House; and that the fact of the two items above referred to, in the last year's account, as being the only ones on which interest is stated to be allowed to him, is to be attributed to the circumstance of these accounts being the first that had been made out

for transmission to him, through the Resident for his approval. That on all former occasions, the accounts had been sent to him by Messrs. W. Palmer and Co. without any intervention; and they could afford him explanations. Upon this occasion, it was necessary to point out how the interest had been calculated, to prevent any unnecessary reference through the Resident. I must also observe, that the interest could not appear in his favour upon the account, so long as the balance was in favour of the House. The term "to interest," instead of "to balance of interest," was used without consideration, because Mooneer ool Moolk was perfectly aware that the interest was a balance of interest, and he would have objected to it if he had not found it so.

3rdly. In reply to the conclusion, which the Governor General had come to, it is only necessary to bring the attention of your Honourable Court to the fact, that there were heavy balances due by Mooneer ool Moolk, all through those accounts. The following extract from them, shews, that during a period of between five and six years, there were, (after giving credit for the payment from Mooner ool Moolk,) at all times, sums varying from five to nine lacs, due to the House. If six lacs be taken as the average debt, during the last six years only, the interest at twelve per cent. per annum, would have amounted to about five lacs of rupees. This fact alone will shew, the error of the Governor General's conclusion that the balance would, under any circumstances, have been "comparatively small." With regard to the assertion, that the accumulation was by compound interest, I submit that in all accounts current, the interest is carried to the amount of debt at the end of the year, and becomes chargeable with interest:—

				Rupees.
1	Shabaum,	1233,	Balance due to the House,	4,98,766
30	Rumzaun,	1233,	Ditto	4,78,614
29	Rumzaun,	1234,	Ditto	6,24,423
18	Rumzaun,	1235,	Ditto	7,09,887
29	Rumzaun,	1236,	Ditto	8,98,199
9	Shawaul,	1237,	Ditto	7,43,846
	Zeehijj,	1238,	Ditto	11,46,757

On the 12th of November, 1823, Sir C. Metcalfe wrote to the Firm, "Your accounts with Nawab Mooneer ool Moolk, and your application regarding them, having been submitted to The Right Honourable the Governor General in Council, I have received his Lordships orders thereon." 8'2.

"I am permitted to forward those accouts to Mooneer ool Moolk, *and to communicate to you* his reply, *provided* that the rate of *interest charged be reduced to twelve per cent.*"

The Firm replied, "We have the honour to acknowledge the receipt of your letter of the 12th of November, regarding our accounts with Nawab Mooneer ool Moolk." 3.

"We beg to submit that the permission of Government to transmit our accounts to Mooner ool Moolk through you, is rendered nugatory, by the condition it imposes. We hope that the Right Honourable the Governor General in Council, reverting to the licence under which our transactions were conducted, and the Supremacy of which we could not doubt, will be pleased to limit the order to a prospective operation."

It appears that the Firm *consented to reduce the interest upon Mooneer ool Moolk's accounts* to 12 per cent. per annum, *from the time they had been apprized that a higher interest had been declared to be illegal; but Sir C. Metcalfe refused to interfere, unless they consented to open their adjusted accounts;* Mr. W. Palmer's Memorial, par. 144, 145.

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and to reduce the rate of interest from the commencement of the loan; a condition, which, if complied with, would not only have charged them with a heavy loss on the interest actually paid by them to their constituents, on funds placed in their hands, from which they were enabled to make this, amongst other loans, but would have also annihilated their claim, and charged them as debtors instead of creditors.

In these circumstances, and for the above reasons, the Firm have been prevented from recovering one rupee from Mooner ool Moolk. The character of that individual is known to your Honourable Court, through the representations of your Resident at Hyderabad, upon different occasions. It would be vain to hope for any adjustment of his debts, by him, unless compelled by the authority of Rajah Chundoo Loll, or the influence of the Resident. The sentence of outlawry which has been virtually passed against the Firm, and the known sentiments of Sir C. Metcalfe towards them, would destroy any disposition he might have, to keep his faith with them, even if his character were more worthy of confidence than it is.

On the 17th of October, 1823, the following notification appeared in the Government Gazette in Calcutta.

Political Department, 17th October, 1823.

" The following extract from a letter from the Honourable the Court " of Directors under date the 19th April, 1823, is ordered to be published " for general information.

" You will observe that we are advised by these high legal authorities, that " the restriction contained in the thirtieth section of the Act 13 Geo. III. " cap. 63, which restrains the rate of interest to 12 per cent. extends to " contracts made as well in those parts of the East Indies, which are not " under the Government of the East India Company, as in those which " are: that the same restriction extends to loans made to native Princes, and " Governments in the East Indies, as well as to those made to individuals, " whether the contracts for such loans be made or carried into execution " within or beyond the territories under the Government of the East " India Company; that the same restriction extends to loans made " under a licence from the Government in India, pursuant to the 37 " Geo. III. cap. 142, sect. 28, and that it is not lawful for a mer- " cantile or banking partnership consisting partly of natives of India, and " partly of European born subjects of his Majesty, to make a loan to a " native Prince, contrary to the provisions of the 37 Geo. III., cap. " 142, sect. 28, whether the contract for such loan be made or carried " into execution within or beyond the territories under the Government of " the East India Company, that in either case the contract of the House " would be void, and that the European born partners would be liable to " be prosecuted for a misdemeanour.

" We desire that you will cause this explanation and instruction to be " made public, and that you will institute prosecutions against all persons " in any way *contravening the law as thus explained.*'

" By command of the Right Honourable the Governor General in " Council."

(Signed) " G. SWINTON.'
" Secretary to Government."

739. It appears that on the 3rd October, 1823, before promulgating this notice, the Governor General in Council had required the opinion of Mr. Ferguson, acting Advocate General, first whether it was expedient to institute prosecutions; secondly whether the misdemeanours in question would justify the British Government in applying to the Government of the

Foreign state, in which the offence had been committed to seize and surrender up the offender to the officers of the court, charged with the execution of the legal process, and deputed to the frontier for that purpose. Thirdly, whether the native or country born partners of a mercantile banking house were liable to punishment for contravening the statutes in question.

The Advocate General replied on the 13th that, "there might of course 740.
"be difficulties in procuring the attendance of witnesses to prove the
"offence, our courts having no power to compel the attendance of
"witnesses residing in a foreign country."

Secondly, "That he was of opinion that the misdemeanour, cannnot be
"considered an offence of that heinous description, which, according to
"the usages of Europe, or the general principles of public law, would
"justify the British Government in applying to the Government of the
"foreign state in which the offence had been committed, to seize and sur-
"render up the offenders."

Thirdly, "That with respect to the liability of country born partners of
"a mercantile or banking house to punishment, for contravening the
"statutes referred to, and on which the law authorities at home appear to be
"doubtful, I am decidedly of opinion, that persons of that description are
"not liable to prosecution or punishment for any such acts."

The Governor General in Council, *having applied for, and obtained*, the above opinion, apprized your Honourable Court in a letter dated 31st October, 1823, that they did *not conceive that it was the intention* of your Honourable Court, to give a *retrospective effect* to your orders, regarding prosecutions 739.
for the misdemeanours therein mentioned.

It was scarcely doubtful, that the intelligence contained in this notification, would reach the ears of the natives of Hyderabad, and tend to place obstacles in the way of the recovery of the debts due to the Firm. But it appears that the Governor General in Council, was resolved that the debtors of the Firm should be officially apprized, that they were not liable to the claims of the House upon them, and that it should be understood that such claims were not only irrecoverable at law, but that the parties were, in a manner, directed by the British Resident not to adjust them. Accordingly in a letter from Mr. Swinton to Sir C. Metcalfe, dated 17th October, 1823, he is told: "To restrain, as far as possible, all secret
"attempts on the part of any British born subjects at Hyderabad, to
"engage in usurious loans, you are *hereby directed* to communicate to
"*the Nizam's Government*, and to the *officer presiding in the Native court of*
"*justice*, as well *as generally to all native dealers in money*, that the British
"Government considers all such transactions on the part of British born
"subjects *to be illegal, that the securities are void*, and that the parties taking
"such illegal interest are liable to punishment, in an English court of law.
"In the event of any open contravention of the law, you will consider it to
"be your duty to report the circumstance for the information of Government,
"when the necessary measures will be taken for the removal of the offender
"from his Highness's dominions, and for such further punishment as the 751.
"case may require."

It is remarkable, that the instructions to the Resident, are scarcely consonant with the opinions given by the Governor General in Council, in the letter to your Honourable Court, dated 31st October, 1823, as to the *possibility* of punishing offenders for future and wilful violations of the law; wherein, alluding to the opinion of the Advocate General, they say: "In cases of
"a contravention of the law by British subjects residing in a Foreign
"territory where they cannot be made amenable to the process of his
"Majesty's courts, the institution of a prosecution against them will, it is

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" to be feared, be generally attended with much difficulty, *and with very* " *doubtful success.*" There can be no doubt, moreover, that the parties to whom the communication was made by the Resident, would believe it equally applicable to contracts made *before*, and *since*, the new interpretation of the Act of 13 Geo. III.

738, 739. This communication was a virtual prohibition of the payment of any debts to the House bearing higher interest than 12 per cent. or which had ever borne a higher interest; while the Firm continued liable to the demands of the Native bankers upon them, for money borrowed at 18, 20, and 24 per cent.; and your Honourable Court will observe, that in the annexed copy of the Resolutions of the creditors of the House, on the 8th of June, 1824, there is the following paragraph:—" The timber of the House having been " mortgaged for 80,000 rupees, the trustees have thought it advisable to " redeem this mortgage, as early as possible, on account of the high rate " of interest which it bears, and have accordingly paid 30,000 rupees in " part liquidation." The rate of interest upon which the House had raised the above sum, *upon ample security*, was 21 *per cent. per annum;* by this your Honourable Court will perceive, that though the orders of the Governor General in Council precluded the House from recovering debts at such rates, it continued to be liable to the payment of them.

On the 25th of August, 1823, Mr. Lamb, one of the partners of the
751. House, was ordered peremptorily to quit Hyderabad. Mr. Lamb requested, in a letter, dated August 27th, 1823, *to be allowed to remain till the month of June following*, that he might have time to *settle his own affairs*, and *those of the House*. This letter appears to have been forwarded to the Governor General in Council, by Sir C. Metcalfe, on the 29th of August; and on the 17th of October, Mr. Swinton replied, that he was, on no account to be
752. allowed to remain beyond the month of December.

By this refusal of his request, Mr. Lamb, who had stated that he had for some time past *taken the most active part in the management of the business* of the House, was allowed *less than two months* to wind up his affairs; and the House was deprived of his services, at a *period*, when the *orders of the Governor General in Council*, had made them *most essential*, owing to the press of business in which it was involved, by the necessity of making arrangements with all its constituents, subsequent to the sudden termination of the Loan Contract.

797. On the 25th of August, 1823, in Sir C. Metcalfe's letter to the House, in which they are informed that parts of their accounts are disallowed, he says, " the remaining balance of your account will be adjusted, on receiv- " ing from you the requisite calculations and statements."

840. On the 9th of September, 1823, Sir C. Metcalfe wrote—" It is necessary " however, to apprize you, that I am not authorized to pay further interest " on such portion of the remaining balance of your account as I am " empowered to discharge, according to the notification already conveyed " to you." The balance herein alluded to, was the balance of the Loan Account, which had been sanctioned by the Governor General in Council, according to the terms of the contract made with the Nizam's Minister, and for the duration of which *six years was the shortest time mentioned*, and which was acknowledged by all the Council, to have been made and *sanctioned*, at a rate of interest *exceeding* 12 *per cent.* per annum; and at the time that this letter was written, about *three years only* of that period had expired.

On the 10th November, 1823, Sir C. Metcalfe wrote to the Firm, regarding the above balance:—" I am about to close accounts with the " Government of His Highness the Nizam, respecting the advances made

" for the payment of the public debt; if, therefore, you are desirous that " the portion of your remaining demand against the Government, which I " am at liberty to discharge, should be paid through me, I beg that you " will have the goodness to send in your account of it."

On the 14th November, 1823, the Firm addressed Sir C. Metcalfe, in answer to the above letter, saying, "We have the honour to submit to you 827.
" our account with Rajah Chundoo Loll, closed with interest to the 1st of " Rubbee ool awul; we also enclose a memorandum of the sums which " have been debited on account of the allowances to the Palmer family, " and the amount of the bonus. 829.

" We submit to you, for your consideration, that the salaries have been " paid to the respective parties, agreeably to the Minister's orders, and " that the House possesses no means of recovering them."

This letter was acknowledged by Sir C. Metcalfe, on the 15th November, and after assigning some objections to the form in which the account was made out, he adds,—" these objections, however, are of the less importance, as under the recent instructions from the Supreme Government, " I doubt the practicability of undertaking to discharge any of the balance " of your demand; and moreover, I find on summing up accounts with " the Nizam's Government, that there is little or nothing due by the British Government. I should, therefore, in any event, be without the " means of meeting any demand on your part against the Nizam's Government, even if I were authorized to liquidate it." 831.

It appears therefore, that Sir C. Metcalfe had at last come to a resolution, not to allow the House to receive the balance, which he had, four days before, professed himself ready to discharge. For the reason above assigned, that there was nothing due by the British Government to the Nizam; was no reason why he should not obtain from the Minister, payment of the balance acknowledged by all parties, to be due from the Nizam to the House. And the Firm, being precluded from applying directly to the Minister, had no other channel for soliciting the adjustment of their claims upon him.

I have now described the principal measures, by which Messrs. W. Palmer and Co. were deprived of all possibility of recovering their claims from the several parties, who were either connected with the Government of the Nizam, or whose debts were guaranteed by the Minister of His Highness. The known sentiments of Sir C. Metcalfe towards the Firm, and the notification made public at Hyderabad, effectually prevented their recovering any debts due from other individuals.

A correspondence then took place with the Resident, in which the Firm pointed out to him, that they must stop payment, and that their ruin, and that of their constituents was inevitable, unless measures were taken to relieve them from their cruel and unprecedented situation. As this correspondence occurred at a period, subsequent to that embraced by the papers printed by your Honourable Court, I entreat your permission to insert it here.

On the 12th of February, 1824, Messrs. W. Palmer and Co. addressed the following letter to Lieutenant Barnett, who was then acting Resident at Hyderabad, Sir C. Metcalfe having proceeded to Calcutta.

SIR,

We have the honour to state to you the following circumstances for your consideration.

1. We have immediate calls on us, for the payment of upwards of three lacs (300,000) of rupees, which we are totally unable to meet.

2. Our demands on his Highness, the Nizam's Government, and individuals in the city of Hyderabad, exceed 40 lacs of rupees (4,000,000.)

3. These loans were made under circumstances perfectly justifiable to ourselves, at the time of the advances to the respective parties, against whom our principal claims are now laid.

4. Since the Orders of the Supreme Government prohibiting our intercourse with the Ministers of His Highness the Nizam, our claims on them, on Shah Yar ool Moolk, and on Umeen ool Moolk, and others have been addressed to the British Resident.

5. You are acquainted with the result, and we need not revert to the total failure of our representations.

6. *Subsequent to this, our demands have been termed illegal,* and denied admission.

7. Since the month of November, 1823, we have lived in the *unheard of situation,* of a Banking and Commercial Establishment, existing *without a possible appeal for justice to any quarter.*

8. Should a sense of justice induce our principal debtor to offer a *voluntary payment of his* debt, we have been told by the British Resident, that he is directed to exert the *influence of his Government against the measure.*

9. We are now reduced to *the inevitable consequence* of such a situation, unless speedily relieved by an interference on your part in our behalf.

10. *We must declare ourselves Bankrupts.*

11. W trust that the Supreme Government could not have anticipated a *result so fatal* to our constituents, and to ourselves in the execution of their orders, and we earnestly beg that you will be pleased to extend a portion of the British influence in our favour, *to save us from a wreck which we cannot otherwise avoid.*

12.— We subjoin a statement of our claims, the particulars of which, have already been submitted to the British Resident.

Rajah Chundoo Loll	22,00,000
Mooneer ool Moolk	8,00,000
Shah yar ool Moolk	7,00,000
Munsoor Khan	1,50,000
Noor ool Omrah	1,00,000
Sundry demands amounting to	1,00,000
	40,50,000

(Signed) W. PALMER and Co.

On the succeeding day, Lieut. Barnett replied to the foregoing letter, in the following terms :—

1. I have the honour to acknowledge the receipt of your letter of the 12th instant.

2. The inclosed extracts of a despatch from the Supreme Government, under date the 5th of December, which I was on the point of forwarding to you, when I received your letter, will shew you, that it is not in my power to interfere, in any way, for the purpose of procuring payment of the demands included in the statement transmitted by you.

(Signed) H. L. BARNETT, Acting Resident.

Extract from a letter from Mr. Secretary Swinton, to Sir C. Metcalfe, dated the 5th of December, 1823.

4. " The despatch noted in the margin, relates to your correspondence " with Messrs. W. Palmer and Co., on the subject of the existing restric- " tions on interest, and the difficulty which they experience in regard to a " resort to the Judicial Courts of the country. Despatch, 15th Nov.

5. " The Governor General in Council, entirely approves the tenor of " your reply to Messrs. W. Palmer and Co's. letter, and desires that you " will apprize the House, that as stated by you, no demands on their part, " on which illegal interest is charged either *prospectively*, or *retrospectively*, " can be permitted to be conveyed to the Government of His Highness the " Nizam, through the channel of the British Resident."

" You will be pleased to intimate to the House of W. Palmer and Co., " that on the grounds stated in your letter to them of the 15th November, " the British Government has no concern with the outstanding balances, " specified in their letter to you of the preceding day. The sentiments " and resolutions of his Lordship in council, on two of the demands in- " cluded in the statement submitted with their letter, namely, the allow- " ances to the Palmer family, and the bonus. have already been com- " municated by you to the House." Despatch, 16th Nov.

7. " Your several communications to the House of W. Palmer and Co., " of the resolutions and orders of Government, conveyed in my letters of " the 17th October last, are in strict conformity with your instructions. Despatch, 17th Nov.

8. " The above remark equally applies to your letter, to Messrs. Pal- " mer and Co. on the subject of their claim against Umeen ool Moolk.

(a true extract)

" (Signed) H. L. BARNETT, Acting Resident."

On the 18th February, and 12th March 1824, Messrs. W. Palmer and Co. addressed the following letters to Lieut. Barnett.

We have the honour to acknowledge the receipt of your letter of the 13th February, inclosing an extract of a despatch from the Supreme Government, dated 5th December last.

2. We have delayed an earlier reply to your letter, in the hopes of succeeding in a negociation with the Soucars at this place, for the relief of our immediate wants, as stated in our letter to you of the 12th February.

3. We have failed in our endeavours, and, we feel it a bounden duty that we owe to our constituents, to appeal again to you.

4. We must repeat our hopes, that the Right Honourable the Governor General in Council, could not have anticipated so destructive a result, as we have already laid before you, as being the inevitable consequence of the execution of the orders of the Supreme Government.

5. We *have been referred to the constituted Courts of the Country for redress.*

6. To that in the city of Hyderabad, we have appealed in vain, and we venture to bring to your consideration, that the British Resident has himself *expressed* his *doubts as to the competency of this Court.*

7. Situated as we are, *precluded by the orders of the British Government, from direct intercourse with our principal debtors,* and denied a communication to them of our distresses, which we cannot but feel confident *they would exert* themselves to alleviate, and thereby point out to our minor debtors, the necessity of their being just also ; we would humbly ask in reply to the fifth paragraph of the despatch, forwarded in your letter of the 13th instant, *to whom are we to state our grievances,* and to whom are we to look for their redress ?

8. Should it not be in your power to afford us the assistance we require, we earnestly beg that you will have the kindness to state our distresses to the Right Honourable the Governor General in Council, for his consideration.

(Signed) W. PALMER and Co.

SIR,

We have the honour to enclose a copy of a bond of Mahomed Idroos Khan Bahadoor Arub, dated the 17th Rubbee ool Awul last, for rupees 181,614,6½, which has been due since the end of Rubbee oo Sanee.

2. In compliance with the orders of the Supreme Government, communicated to us by the Resident; we have appealed to the court, in the city of Hyderabad, for its assistance to realize our demand.

3. Our wants have not been redressed, and we regret the necessity that obliges us to trouble you on the present occasion.

4. We have received about 19,000 rupees of the amount of the bond.

5. We shall be happy to attend to any suggestion you may be pleased to make, and to give you any further information you may require from us on the subject.

Hyderabad,
12th March, 1824. (Signed) W. PALMER and Co.

No effect having been produced by these applications, and Sir C. Metcalfe having returned from Calcutta ; Messrs. W. Palmer and Co., made a last appeal to him in the following letter.

To Sir C. Metcalfe, Bart., Resident, Camp.

SIR,

It is with extreme regret, that we find it necessary to intrude on your attention, with the affairs of our establishment, but our situation is such as to preclude the possibility of any longer delay in so doing.

2 We earnestly entreat your consideration to the several letters we have been compelled to address to the acting Resident during your absence, of the 12th, 18th, and 22nd of February, and 12th of March, which we trust will prove to you the critical situation in which we are placed.

3. We have now demands on us for four lacs of rupees, which *we are unable to meet,* unless we be relieved from our embarrassment by your kind assistance.

4. We cannot more strongly depict our distress, than by repeating *our solemn declaration that we are on the verge of bankruptcy*, our ruin and that of our numerous constituents is *inevitable*, unless assisted by your speedy interference, and we venture to hope, that on a consideration of the circumstances we have stated, this indulgence will not be denied us.

(Signed) W. PALMER and Co.

Hyderabad,
30th of March, 1824.

To this letter Sir C. Metcalfe replied on the 1st of April, still professing, as your Honourable Court will observe, to believe that the House was not in the condition of extreme peril alleged by them.

GENTLEMEN,

1. I am favoured with your letter of the 30th ultimo.

2. I will examine the letters referred to in the second paragraph of your communications, when I obtain them from the Residency, and afterwards apprize you, whether or not I can exercise any interference on the subject therein submitted.

3. It is not at *present in my power to hold out any general hope of benefit* from my interference. The greater portion of your alleged claims against Rajah Chundoo Loll, are deemed inadmissible, and cannot be supported by me. The rest of your claims that have come under my notice, whether against that Minister, or other individuals, are founded on calculations at an illegal rate of interest, and for that reason cannot have any interposition in their favour. And generally with respect to your concerns, the British Government does not profess to grant you any support, and considers you alone as *responsible to your constituents, for the jeopardy in which their fortunes have been placed by your transactions. I hope that your apprehensions of ruin are exaggerated; but if there be any foundations* for them now, how much more certain must your ruin have been, if the British Government had not enabled the Nizam's Government to discharge nearly the whole of the debt contracted by Rajah Chundoo Loll. If you are now at a loss to meet demands for four lacs of rupees, what would have been your situation if you had not received the seventy or eighty lacs of rupees, the Nizam's Government has paid through my hands? My knowledge of the state of the Nizam's affairs, enables me to affirm, that you could never have received from His Highness's Government in any other way, the principal of your demand, and that the payment of the interest thereon could not have been long continued.

4. At present, with respect to your letter of the 30th ultimo, I can only say, that I do not suppose it to be in my power, to render you any effectual assistance, but if on reference to your former communications to Lieutenant Barnett, and to my instructions from Government, I find it to be consistent with my duty to give you any support, it shall not be withheld; otherwise I must await the further orders of the Governor General in Council, to whose authority your several applications either have been or will be submitted.

(Signed) C. T. METCALFE.

Messrs. W. Palmer and Co. finally addressed Sir C. Metcalfe in the following letter.

To Sir C. T. Metcalfe, Bart.

SIR,

1. We have the honour to acknowledge the receipt of your letter of the 1st. instant.

2. We regret that the assistance we so anxiously looked for from you cannot be immediately afforded to us. We lament to say that our apprehensions of *ruin are now on the point of being realized.* Our situation is such that we fear we shall be compelled to put our affairs in the hands of Trustees, ere the final determination of the Supreme Government relative to them can be made known to us.

3. We shall be necessitated to take this step for our own vindication to our constituents, and in so doing, *we feel it an imperious duty* we owe to those *who have entrusted their property* to our care, to reply particularly to that part of the third paragraph of your letter, where *we are informed that the British Government considers us as alone responsible to our constituents for the jeopardy in which their fortunes* have been placed by our transactions.

4. With every deference to the will and pleasure of the Supreme Government, we humbly, but most strongly, *beg to protest against this inference.* Our pecuniary transactions, in this city, were not uncommon, and the benefits arising from the peculiar state of a native monied market, were not exclusively enjoyed by ourselves. We confidently assert that our charges of interest, on sums advanced to His Highness the Nizam's Government, and to individuals in his territories, *were lower than could have been procured from any other mercantile establishment;* and our profits were not exorbitant, *for our books will prove the rates at which we have ourselves borrowed money.* The British Government have interfered so far in our transactions, as forcibly to take from us in *two instances the right, (and we presume it is an established right) of a direct appeal from the creditor to his debtor,* and it has even denied to us the possibility of any communication whatever, of our distresses, to the parties against whom our principal claims exist. We cannot tacitly surrender the balance of our demand against Rajah Chundoo Loll, as exhibited by our statement. The *well known situation* of this Minister, identified him to us, as the *responsible authority* of his Sovereign's Government; *under these circumstances our advances* were made to him, and we trust *that his repeated signatures* to our accounts prove their validity.

5. *Our fall* as a Banking Establishment *is inevitable;* but we hope to convince *those who have relied on our integrity that their confidence has not been abused,* and though *our entire submission* to the orders of the British Government, communicated to us through you, *has not been of any avail to ourselves,* yet we trust it may plead in some way favourable to our numerous friends, and that the Right Honourable the Governor General in Council, may be pleased to grant *that assistance to our Trustees, which we have solicited in vain,* and we venture to express a hope, that our entreaties on this point, will meet with your support.

(Signed) W. PALMER and Co.

Hyderabad,
6th April, 1824.

In this letter, your Honourable Court will observe, that Messrs. W. Palmer and Co. announced their immediate failure to be inevitable. On the 26th of the same month the House stopped payment.

On the 12th of May, Mr. W. Palmer, being in Calcutta, whither he had gone in the hope of obtaining redress from the Governor General in Council, addressed to his Lordship the Memorial of which I have already submitted a copy to your Honourable Court. The urgent distresses of the House compelled him, however, to return to Hyderabad, without waiting for the decision of Government, and on his arrival there he found the affairs of the House already in the hands of Trustees.

A meeting of the Creditors took place in April, immediately, on the failure of the House. On the 8th of June, a second meeting was held, at

which the Trustees, who had been nominated at the previous meeting, laid before the Creditors at large, the result of their investigation into the affairs of the House. I solicit the attention of your Honourable Court to the following Resolutions unanimously voted upon that occasion.

At a General Meeting of the Creditors, and Representatives of Creditors, of the late Firm of Messrs. W. Palmer and Co. held at the office in Hyderabad, on Tuesdey the 8th June, 1824, pursuant to public notice.

EXTRACTS.

"The Trustees think it necessary to make the following remarks: the "debts and transactions of the House, appear to be equally good, and "exactly of the same description, as they have always been, since the "House was established; *but in consequence of the intercourse with the Minis-* "*ter* having been interdicted by the Supreme Government, the prospect of "realizing debts, *however just,* has become a *matter of considerable difficulty.* "One item of the debts, is a sum of nearly 23 lacs of rupees, *acknowledged* "*in writing,* by Rajah Chundoo Loll, and regarding which, the Resident at "Hyderabad, wrote to the late Firm to the following effect:—*'That in the* "*'event of the Minister taking upon himself to satisfy those demands from the* "*'coffers of the State, a remonstrance against such misapplication of the public* "*'money,* should be made to his Highness the Nizam.' This exposition is "made with a view to explain the circumstance, of so large an exhibited "balance, in favour of the House, not being immediately realizable. A "sum also of nine lacs of rupees, due by the Mahomedan Minister, cannot "be demanded, *owing to the above-mentioned interdiction;* an interdiction "*equally extending to the Trustees,* as may be *seen by the Resident's letter to* "*them,* under date 1st May, 1824. *The knowledge* that the support of the "Supreme Government has been withdrawn from the late Firm, is of itself "a sufficiently obvious reason why natives generally will endeavour to elude "the payment of their debts."

"The property of the Firm, and of its individual members, has been "stated with reference to the present supposed value."

"6. *In consequence of reports being in circulation* prejudicial to the character "of the members of the late firm, the Trustees feel it but justice to Messrs. W. "and H. Palmer, to state the candid unreserved manner in which they have "come forward, in affording every assistance and information in their power, "towards adjusting the affairs of their late establishment: and they take "this opportunity of stating their opinion, that the creditors may place the "strictest confidence in the honour and integrity of these individuals."

"17. Proposed and unanimously agreed, that allowances not exceeding "500 rupees per mensem, be made to Messrs. W. and H. Palmer, and "that a proportion of household furniture and plate, be allowed to be "retained by each of these members of the Firm, the quantity and descrip- "tion to be restored, to be left at the discretion of the Trustees."

"19. Proposed by Lieutenant Hislop, that a monthly sum not exceed- "ing 2000 rupees, be held at the disposal of the Trustees to defray the "various expences of the office establishment; seconded by Lieutenant "Arrow, and confirmed by the meeting."

Your Honourable Court will observe that the Creditors, although, in the circumstances in which they then stood, they were not likely to be influenced by any undue patiality towards the House, took a very different view of the causes of the failure, from that exhibited in Sir C. Metcalfe's letter of the 5th of April; you will also observe that the Trustees had applied to Sir C. Metcalfe, for permission to address the Nizam's Minister on the subject of the claims of the House; but that they were apprised, by letter from him,

that the interdiction of intercourse equally extended to them; a measure only to be accounted for by the supposition that the determination was taken, to ruin, irretrievably, the House and all its connexions.

This most rigorous course of proceeding, the Bengal Government appears to have rested upon the orders contained in the letter of your Honourable
6. Court, of the 24th May, 1820; but I beg to submit, that these orders under the utmost latitude of interpretation, went merely the length of directing the licence to be cancelled, and of prohibiting your servants from interfering in any discussions, which might take place between the Nizam's Government and the House of Messrs. W. Palmer and Co.

Your Honourable Court was not at that time aware, that certain transactions of the House had been especially sanctioned by the Governor General in Council, as being important to the interest of both Governments Your orders could not, therefore, be supposed to apply to such transactions; they went to prohibit the interference of your Government in favour of the House, but not to direct its interference against the House, and to prevent its obtaining justice from the Nizam's Government.

Your Honourable Court must have known that the House was allowed access to the Nizam's Ministers, and must have supposed that discussions might arise between those parties, but did not prohibit the continuance of such intercourse.

Your Honourable Court was aware that the rates of interest charged by the House, exceeded 12 per cent, aud that the Advocate General had given his opinion that such charges were not illegal; but you did not prohibit the recovery of debts charged with such interest, nor did you at that time, or till three years afterwards, give any reasons for supposing that the opinion of the Advocate General was erroneous.

Even, therefore, if the only communication from your Honourable Court to the Bengal Government, concerning the House, had been contained in the above letter; that communication does not justify the measures, which have since been adopted. But in the letter to Bengal, of the 20th November, 1821, is the following paragraph, which is, I submit, conclusive evidence, that Your Honourable Court did not intend your orders, of the 24th May, to bear the construction which has been put upon them in India. "In "apprising you that our intentions in issuing our instructions of the 24th "May, and particularly that contained in the twelfth paragraph of our "despatch, have been only partially fulfilled; we must at the same time "add, that at the period when that despatch was written, we did not anti- "cipate the obstacle interposed by the course of your proceedings, to the "full and complete execution of our orders. We had not contemplated the "possibility of your having committed our Government to the support of "engagements between the House and the Nizam's Government, either for "an indefinite period, or for a term of years; and we now feel ourselves "placed in the painful dilemma, of *being obliged to tolerate the exercise of an "influence on your part*, which, for the most substantial reasons, we could "wish to restrain, or of peremptorily ordering you immediately to desist "from the exercise of that influence, *at the risk of ruin to a commercial "establishment* WHICH WE SHOULD BE SORRY TO INJURE, *and of reproach "to the good faith of our Supreme Government*, which we are most desirous to
53. par. 76. "uphold."

Again you sanction the continuance of the loan contract, and direct that the Resident at Hyderabad be instructed "to take care that his "official influence be strictly confined *within the limits* to which it has been "pledged to the House."

In the political letter of April the 9th, 1823, the opinion of the High legal authorities in England was transmitted to the Bengal Government, with the following instructions.

" We desire that you will cause this explanation and instruction to be " made public, and that you will institute prosecutions against all persons " in any way contravening the law, as thus explained."

I submit that the above paragraph, in its sense and indeed in its terms prospective, by no means justifies the Bengal Government in giving a retrospective effect to any part of the new opinions, then for the first time known to exist upon the point of law. In one respect, indeed, the Government have themselves declared that to be the sense in which they understood them, for they state expressly, in their political letter to your Honourable Court, dated 13th October, 1823.—

" We do not conceive that it was the intention to give a retrospective " effect to your orders regarding prosecutions, for the misdemeanours " therein mentioned."

The measures, which without your orders, or even your authority to sanction them, have been pursued against us by your servants in India, and ended in our ruin, can only be traced to the unfortunate prejudice which actuated Sir Charles Metcalfe, through the whole course of his residence, and which was founded on his jealousy of the Minister Chundoo Loll, and the influence unavoidably enjoyed by any great House in a country like the Nizam's; where, however, your Resident was resolved, there should be no power but his own. He thus determined to overthrow the Minister's authority with the Prince, and in doing so he was led to attack that House which had, to the great benefit of the country, and of your Government, assisted the Minister in his operations.

But, be the cause what it may, the fact is undeniable, that your servants have ruined us. Nor have they been content with our destruction as merchants, they have calumniated our character, in terms such that no other official correspondence affords any examples of equal grossness. Even as private individuals, we must have been proscribed in society, by the unmeasured invectives officially circulated against our honesty and honour, had we not been better known to the public in those parts than to our accusers.

I entreat of your Honourable Court to consider the limits, through which those calumnies have been disseminated. The papers containing them have been printed and circulated without the accused having any opportunity of defence. The most opprobrious rumours have been propagated respecting us; the public prints have teemed with libels the most offensive; we have been held up in the face of our countrymen as cheats, extortioners, and impostors; and I have been myself placarded through the streets of London, as having been turned out of India for an attempt to defraud the Government.

These are no common injuries. Many of them are irreparable. For the redress of such of them as it may still be possible to repair, we must look to your Honourable Court, and we appeal confidently to your justice. Our own characters and fortunes, and the fortunes of our numerous constituents are in your hands. With such interests at stake, we look for your decision not indeed without anxiety; but surely without fear. We pray that it may be speedy; we are sure that it will be just In a case like this we cannot appeal to you in vain. As a mercantile body you will preserve the rights

and interests of commerce, and guard those principles, by which alone, fair dealing can be sustained in the world. As men and as gentlemen, alive to the feelings of honor, you will feel for our wrongs and vindicate us from aspersions equally cruel and groundless. As the Sovereigns of a great empire, you will dispense impartial justice: repair the wrongs which have been done by your servants, and placed, yourselves, above all local prejudice, protect us from its malignant influence.

I have the honour to be,

Honourable Sirs,

With great respect,

Your most obedient, humble servant,

London, Feb. 1st, 1825. W. RUMBOLD.

APPENDIX.

No. I.

GENERAL ABSTRACT from the Printed Accounts, shewing the State of the Nizam's Account with Messrs. W. PALMER and Co., at different periods, referred to by Sir C. METCALFE.

	Rupees	as.	qrs.	Rupees	as.	qrs.	Rupees	as.	qrs.
Balance due by the Nizam on account of the Berar Suwars .	16,61,206	1	¼						
Do. do. Aurungabad Account	13,09,450	8							
				29,70,656	9	1½			
Balance in favor of the Nizam on the General Account .	3,02,741	15	¼						
Tunkhas in hand on Account of the Berar Suwar, and Aurungabad Balances subsequently realized, page 620 . .	10,56,711	6							
				13,69,453	5	¼			
Total Balance, unprovided for, due by the Nizam, on the 7th January, 1820							16,01,203	4	¼
Balance due by the Nizam, on the the Berar Suwar Account .	18,36,825	12	¼						
Do. do. Aurungabad do. . .	13,50,826	6	¼						
	31,87,652	2	¼						
Deduct Tunkhas as above .	10,56,711	6							
				21,30,940	12	¼			
Balance due on General or Miscellaneous Account				4,63,979	2	¼			
Total Balance, unprovided for, due by the Nizam, on the 16th February, 1820							25,94,919	15	
Balance due on the Berar Suwar Account, as above . .	18,36,825	12	¼						
Do. Aurungabad Account .	9,36,261	6	¼						
	27,73,087	2	¼						
Deduct Tunkhas realized . . 5,66,387 11									
Do. do. in hand . 4,90,323 11									
	10,56,711	6							
				17,16,375	12	¼			
Amount of Debits in the General Account in which the Loan Payments were entered . . .				9,90,460	3	¼			
Total Balance, unprovided for, due by the Nizam, on the 1st May, 1820							27,06,836		

Jan. 7, 1820. At which time the negociation for the Loan had commenced.

Feb. 16, 1820. At which time the half-yearly accounts of the House were made up.

May 1, 1820. At which time the agreement for the Loan had been completed.

		Rupees	as.	qrs.	Rupees	as.	qrs.	Rupees	as.	qrs
May 19, 1820. At which time the proposals for a Loan were forwarded by the Resident to the Bengal Government.	Balance of the Berar Suwar Account . . .	18,36,825	12	¼						
	Do. Aurungabad do. . .	11,36,174	3	¼						
		29,72,999	16	¼						
	Deduct Tunkhas as above . .	10,56,711	6							
					19,16,288	11	¼			
	Amount of Debits in the General Account . .				13,21,962	1	¼			
	Total Balance, unprovided for, due by the Nizam, on the 19th May, 1820							32,38,250	12	¼
Aug. 11, 1820. At which time the half-yearly accounts of the House were made up, and the amount of the Loan transferred from the general account.	Berar Suwar Account . .	20,57,219	7							
	Aurungabad do. . .	13,18,669	8	¼						
		33,75,888	15	¼						
	Deduct Tunkhas as above . .	10,56,711	6							
					23,19,177	9	¼			
	Amount of Debits in the General Account, in which the Loan Payments were entered . . .				39,47,570	11	½			
	Total Balance, unprovided for, due by the Nizam, on the 11th August, 1820							62,66,748	4	¼
Aug. 31, 1820. Up to which time the House continued to make advances.	Berar Suwar Account . .	20,57,219	7							
	Aurungabad do. . . .	13,18,669	8	¼						
		33,75,888	15	¼						
	Deduct Tunkhas realized as above	10,56,711	6							
					23,19,177	9	¼			
	Amount of Debits in the General Account .				44,43,235	9				
					67,62,413	2	¼			
	To the above amount of Debt, as it appears in the Printed Accounts, on the 31st August, is to be added the charges in pages 624 and 625, which though entered under dates, following the 31st August, are for Payments made, by order of the Minister, in the months of Shaban, Zeekaud, and Shuwal, and which amount to . .				3,23,526	13	¼			
	Making the Total Amount on the 31st August, 1820 . .							Rupees 70,85,939		

No. II.

EXTRACTS from a Letter from Mr. W. PALMER, to Sir W. RUMBOLD, dated Hyderabad, June 12th, 1824.

" I arrived here at a very fortunate moment, to meet and suppress reports very much " to our prejudice, which were in circulation, and several of which had their origin in " the opinions of Sir C. Metcalfe and Barnett. I will state these in the first instance. " Sir C. Metcalfe, in a letter to the House, affirmed that our constituents ought to look " to us for payment exclusively, as we had been put in possession of funds to the " amount of eighty or ninety lacs of rupees by the Supreme Government. This made " an extreme sensation, which was allayed before my arrival, by Dighton* submitting " to the Trustees an account, item by item, of the disbursement of the money alleged to " have been received by us. The next exception taken was, that we had preferred " paying our Native Creditors before our European. Dighton said we had done so, " as their accounts bore a heavy and ruinous interest. This did not wholly satisfy the " Trustees; but I explained to them that we were without choice, for the interdiction " of intercourse with the Ministers had ruined our credit in the Native Market so far " back as March, 1823; and that we were called upon to settle their accounts which " we could not avoid doing; that had it been optional with us, we should still have " preferred paying them at the time we did, on account of the heavy interest at which " we had borrowed from them; as at that time we did not apprehend the least injury " to our affairs, being deluded by the expectation held out to us by Sir C. Metcalfe,

* Head Clerk in the House.

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